Daily Report

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CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTER-AMERICAN AFFAIRS

Commission To Discuss West Indian Unity *[CANA]* 1

CARIBBEAN

Cuba

Delegation Attends Antidrug Summit in London *[Havana TV]* 2
True El Salvador Peace Said Tied to Military *[Havana International]* 2
Afghanistan 'Proud' of Relations With Havana *[Havana Radio]* 2
Cuban-Indian Cooperation Commission Begins Talks *[Havana Radio]* 3
Evangelical Clergymen Back Dialogue With Castro *[Havana TV]* 3
Raul Castro Tours Pinar del Rio Province *[Havana TV]* 3
Labor Leader Asks Total Dedication to Harvest *[Havana Radio]* 3
'Exceptional Effort' Required *[Havana TV]* 3
Hermann Crew Made Members of Communist Party *[Havana Radio]* 3
Foreign Vice Minister on Computer Use at Minrex *[Havana Radio]* 4
* Tourism: Potential Problems, Benefits Weighed *[BOHEMIA 16 Feb]* 4

Antigua and Barbuda

Committee Investigates Arms Transit to Colombia *[CANA]* 5

Bermuda

South Africa Policy Opponents To Greet Thatcher *[CANA]* 5

Grenada

Island's Credit Worthiness 'Very Unfavorable' *[CANA]* 6

Haiti

Trouillot Requests UN Assistance for Elections *[CANA]* 6
MIDH's Bazin Interviewed by Government Paper *[Port-au-Prince Radio]* 7

Jamaica

IMF Summarizes Government's Economic Policy *[CANA]* 8

St. Lucia

Governor Emphasizes Need for Caribbean Unity *[CANA]* 8
Activist Winhall Joshua Fills Senate Vacancy *[CANA]* 8

CENTRAL AMERICA

Guatemala

U.S. Citizen Killed in DEA Plane Crash *[ACAN]* 9

Honduras

* Callejas' First 30 Days Reviewed *[EL HERALDO 27 Feb]* 9
* Changes in Government Organization *[LA TRIBUNA 27 Feb]* 13
* Future Trade With USSR Reviewed *[LA PRENSA 21 Feb]* 14
* USSR To Provide, Install Trolleybuses *[LA TRIBUNA 21 Feb]* 15

Nicaragua

Transition Commission Negotiates Demobilization 15
First Round of Talks Concludes *[ACAN]* 15
Participants Hold News Conference *[Tegucigalpa Radio]* 16
Resistance Issues Communique *[Tegucigalpa Radio]* 18
Contras Set Conditions for Demobilization *[ACAN]* 18
Contra Leaders on Demobilization *[Managua Radio]* 19
RN 'Satisfied' With Chamorro Decision on Ortega *[ACAN]* 21
20,000 Contras Want Work Visas for United States *[ACAN]* 22
Commentary on U.S. Democracy's 'Double Standard' *[Managua Radio]* 22

Panama

Police Conduct Raid in Tocumen Corregimiento *[EL PANAMA AMERICA]* 23

SOUTH AMERICA

Argentina

Cavallo Terms Talks With Hurd 'Very Positive' *[NOTICIAS ARGENTINAS]* 24
Accord Ends Visa Requirments *[TELAM]* 24
Non-Government Personalities Meet in London *[TELAM]* 24
Menem, Bolivia's Paz Zamora on Debt Negotiations *[DYN]* 25
Menem Appoints Justice, Comments on Falklands *[NOTICIAS ARGENTINAS]* 25
Effects of Economic Program Continue To Be Felt 25
Weekly Inflation Rates To Be Published *[NOTICIAS ARGENTINAS]* 25
Fuel Prices Hiked 25 Percent *[TELAM]* 26

Bolivia

Cocaine, Tin Bartering Ring Discovered *[Madrid EFE]* 26

Brazil

Congress Approves Provisional Measure 151 *[Brasilia Radio]* 26
Measures 148, 164, 162 Also Pass *[FOLHA DE SAO PAULO 7 April]* 26

Colombia

Violence Escalates as 517 Die Over Past 10 Days *[AFP]* 27
Six Guerillas Die in Clashes *[Madrid EFE]* 27
Candidate Gomez Suggests Legalizing Drug Trade *[Bogota TV]* 27
* Gaviria's Popularity Made Evident in Primary 27
* Candidate's Background *[SEMANA 13 Mar]* 27
* Gaviria on Primary *[SEMANA 13 Mar]* 31
* Extradition Discussed *[EL TIEMPO 4 Mar]* 33

Paraguay

Rodriguez 'Pleased' Over Colorado Party Accord *[ABC COLOR 8 Apr]* 35

Peru

Speculation on 8 April Elections, Possible Runoff 35
Barrantes To Support Fujimori *[Lima TV]* 35
Vargas Llosa Seeks To Avoid Runoff *[Madrid EFE]* 36
Fredemo on Electoral Irregularities *[Lima TV]* 36
Private Poll: Vargas Llosa in Lead *[Madrid EFE]* 37
* Polls Show Majority Supports Liberal Policies *[EL COMERCIO 22, 23 Mar]* 37
* Peru's Reinsertion Into World Economy Viewed *[QUEHACER Mar/Apr]* 38
* Aftermath of Drug Summit Viewed *[QUEHACER Mar/Apr]* 39

Uruguay

Good Payment History Hurting Debt Renegotiation *[Madrid EFE]* 42

French Guiana

France's Rocard Tours Launch Site, Refugee Camp *[Paris Radio]* 43

Guyana

Human Rights Report Critical of Government *[Bonaire Radio]* 43

Suriname

Assembly Urges Inquiry into Bodyguard Killings *[Bonaire Radio]* 43

Commission To Discuss West Indian Unity

FL0904174290 Bridgetown CANA in English 1655 GMT 9 Apr 90

[Text] Bridgetown, Barbados, April 9, CANA—The Commonwealth Caribbean on Monday [9 April] began a consultation on the future of the area, with a call from Barbados for deepening its integration movement.

"Caribbean integration, like any other good idea, will not succeed simply because it is a good, sound logical idea. It has had its ups and downs like anything else. What we can say is.... We are at this time in our history on an up," Barbados Prime Minister Erskine Sandiford told the first meeting of the 15-member West Indian Commission here.

Sandiford said the region needed to ensure that the integration movement is kept alive, in face of the growing trend towards unity in Europe and North America.

"We in the Caribbean must be up and doing—and that with a greater sense of urgency and purposefulness than evident heretofore," he said.

Launched last November in Trinidad and Tobago, the Commission chaired by outgoing Commonwealth Secretary-General Sir Shridath Ramphal, will meet with government officials and other persons to discuss the future role of the integration movement. Ramphal said the Commission members "are very serious" about the immense importance of the Commission to the region's future.

He told the gathering: "This Commission offers another opportunity, not as it were to start all over again, but to take where we are as our starting point and move more purposefully. ...to ways and means to enlarging the prospects of bettering the lives of all the people of the West Indies in a consistent and sustainable way over the years ahead."

Ramphal said he hoped West Indians would not conceive the Commission as "yet another committee or commission" on West Indian unity and come forward with meaningful contributions.

"This is new, this process of listening and of exploring together with West Indians the pathways to the future," he said.

Sandiford told the Commission that West Indian unity "will not proceed very far without the fullest understanding, support, and commitment of all our people." He said in this regard the Commission had motives similar to those of a proposed assembly of Caribbean Community [Caricom] parliamentarians which "seeks to involve the region's people by providing opportunities for a wider cross-section of our Caricom parliamentarians. ...to participate in and contribute to the process of education, discussion, and decision-making at the Caricom level."

The Commission has a two year mandate, and will look at issues such as the deepening and widening of the region's economic integration movement, aspects of political unity, the education system and democratisation of decision-making processes, and human rights.

Cuba

Delegation Attends Antidrug Summit in London

FL0904175990 Havana Tele Rebelde Network in Spanish 1700 GMT 9 Apr 90

[Text] Cuba feels that the fight against the scourge of drugs should focus on eliminating the market that stimulates their production, Cuban Vice Foreign Minister Oscar Oramas said today. The head of the Cuban delegation attending the ministerial summit against drugs, which began today in London, told the press that in addition to the sweep against drug markets, the battle should continue against drug trafficking and production. To do this, he added, it is necessary to offer the peasants, who have traditionally raised coca, the possibility of raising other crops that would guarantee the subsistence of millions of people.

True El Salvador Peace Said Tied to Military

PA0904234890 Havana International Service in Spanish 0000 GMT 7 Apr 90

["Our America" commentary]

[Text] Representatives of the Farabundo Marti National Liberation Front of El Salvador and that country's government have signed a document in Geneva under the auspices of the United Nations which opens the way to negotiations to end the war.

Henceforth, the doors leading to genuine peace in El Salvador can be opened, but before reflecting on such an important possibility, it is advisable to point out that the dialogue's initial objective will be to reach political agreements to establish a cease-fire and end all violations against the rights of the civilian population.

This is specified in the document signed on 4 April in Geneva. The entire negotiation process will be verified by Peruvian diplomat Alvaro de Soto, the personal representative of UN Secretary General Javier Perez de Cuellar.

Guerrilla Commander Jorge Shafik Handal, one of the signatories of the Geneva protocol, told the press that there are a number of conditions to be negotiated, including the democratization of the judicial system, the demilitarization of society, a reform of the electoral system, and respect for human rights.

Now is a good time to reflect on this very important step that will be taken in El Salvador, and thus we must talk about the military. The country's democratization will not be attained if the Air Force and Army are not under civilian power. This is a difficult but not impossible task.

The enormous budget assigned to the Salvadoran Armed Forces, in which enormous U.S. aid plays an important role, has turned these institutions into extremely active state entities with very great economic and political power.

During a recent interview, Guerrilla Commander Ana Guadalupe Martinez said that the enormous economic power of the Salvadoran military allows it to have its own bank, insurance company, and factories to produce food, uniforms, and other clothing. In this way, she added, the Army has become a fearful economic competitor in important areas of the Salvadoran private sector.

We can conclude that being such businessmen, the Salvadoran military is not only active in the political arena, but also in the national economy. War is a very profitable business for Salvadoran military personnel. They are the main obstacles to peace because of all the benefits they obtain from the armed conflict. They clash with the interests of private enterprise, which believes that the country's instability is the main obstacle to their investments. Therefore, the business sector does indeed advocate a negotiated solution to the conflict.

Given that war is also detestable to other segments of Salvadoran society, including the church, labor unions, and political parties, the Army must subject itself to civilian power. This is, as we said, a difficult but not impossible task.

Meanwhile, far from Geneva, the Salvadoran people are waiting, with a mixture of reservation and optimism, for the signing of an agreement that can bring about the much-longed-for but still-far-away peace.

Afghanistan 'Proud' of Relations With Havana

FL0904142590 Havana Radio Reloj Network in Spanish 1407 GMT 9 Apr 90

[Text] The head of the Afghan Council of Ministers, Soltan Ali Keshtmand, has said his country is proud of its relations with Cuba and that it supports our firm struggle against factors that attempt to weaken the island's sovereignty and independence.

In a discussion with PRENSA DIALOGUE in Kabul, the Afghan leader also stressed the importance of solidarity with Cuba in political, social, and cultural affairs. He recalled that a group of Afghan students are studying various specialties in Cuban centers and that a Cuban medical brigade is rendering service in his country.

Regarding Afghanistan, he said that the war imposed upon them has not ended but that he feels optimistic about the future. The head of the Afghan Council of Ministers added that it is impossible to resolve that conflict through war and that the door of dialogue remains open in Kabul so that all sectors can attain national reconciliation.

Cuban-Indian Cooperation Commission Begins Talks

FL0904220190 Havana Radio Reloj Network in Spanish 1954 GMT 9 Apr 90

[Text] It has been officially announced that Cuba and India today began the first session of the joint Cuban-Indian Intergovernmental Commission for economic, scientific, and technical cooperation in New Delhi.

The talks are presided over by Cuban Foreign Minister Isidoro Malmierca and Indian External Affairs Minister Kumar Inder Gujral, who stressed the importance that these talks have for the two countries.

After welcoming the Cuban delegation, Gujral stated that the two nations share common viewpoints on many problems affecting the underdeveloped countries and that it is necessary to increase our struggle for a fairer and equitable world order. The Indian external affairs minister recalled that the purpose and goals of the Nonaligned Movement continue to be the elimination of poverty, improvement of the people's standards of living, and nuclear disarmament, among others.

Evangelical Clergymen Back Dialogue With Castro

FL1004121690 Havana Tele Rebelde Network in Spanish 1100 GMT 10 Apr 90

[Text] In a meeting with Communist Party of Cuba [PCC] and Justice Ministry officials of Matanzas Province, evangelical clergymen decided to support the dialogue that Commander in Chief Fidel Castro had with religious leaders. This dialogue determined the patriotic, revolutionary nature of the meeting and the decision to work for the unity of the believers regarding the current call for clearer definitions and to eliminate any divisions that do not distinguish between justice and injustice, the clergymen said in a communique sent to Jose Felipe Carneado, chief of the Religious Affairs Department of the PCC Central Committee.

Raul Castro Tours Pinar del Rio Province

FL0904174790 Havana Tele Rebelde Network in Spanish 1700 GMT 9 Apr 90

[Text] Army General Raul Castro said that Pinar del Rio Province is like a special laboratory. He said that San Cristobal Municipality is an example of what Cuba can do during a special period during peacetime.

During a tour through that municipality, the second secretary of the Communist Party of Cuba [PCC] highly praised the integration that a province, an organization, or zone needs to earn the "Ready for the Defense" banner. Raul referred to the clarity with which the people of Pinar del Rio use new styles of work to inform the population at meetings of the province's PCC committee. He also recalled that in two and one-half years, the people of this province have become the best in the country in strictly complying with the PCC program on cadre policy.

The leader of the Revolutionary Armed Forces and a group of generals that accompany him visited the Abel Santamaria Hospital, the Humberto Nunez Miscellaneous Crops Enterprise, and a center that manufactures medicines with apicultural products.

Labor Leader Asks Total Dedication to Harvest

FL0904112990 Havana Radio Rebelde Network in Spanish 1047 GMT 9 Apr 90

[Report from "Haciendo Radio" program]

[Text] Salvador Valdes Mesa, second secretary of the Cuban Workers Federation, called on everyone working on the current sugar harvest to completely dedicate themselves to the sugar production program. The unstable weather conditions of the past few months, characterized by seasonal rains, caused sugar-production delays at times important to Cuba's economy because of the growing momentum of prices in the international market.

Up to the present, the country is behind schedule in sugar production by over 600,000 tons and we are approaching the rainy season and the hot months of May, June, and July.

'Exceptional Effort' Required

FL0904114990 Havana Tele Rebelde Network in Spanish 1100 GMT 9 Apr 90

[Text] Nature has required us to make an exceptional effort in the months of April and May, the GRANMA newspaper says in an editorial published in today's Monday edition. The newspaper says that the next six weeks will be critical in the development of the harvest and the fulfillment of the sugar plan. It adds that workers must simultaneously work on three decisive tasks during that time: the harvest, planting, and weeding. These last two tasks will have to be conducted with great intensity. The country thus has to guarantee the current harvest, as well as the supply of sugarcane for the next one.

The editorial later says that today, 9 April, we are behind our production schedule by 600,000 tons of sugar as we approach the rainy season and the hot months of May, June, and July.

Hermann Crew Made Members of Communist Party

FL1004105290 Havana Radio Rebelde Network in Spanish 1025 GMT 10 Apr 90

[Report from "Haciendo Radio" program]

[Text] The five crew members of the Hermann ship, who were not members of the Communist Party of Cuba [PCC], received membership cards for that political organization from Jorge Lezcano, member of the PCC Central Committee and first PCC secretary in Havana City Province. The party grows larger and becomes richer with these new members. The party's authority and capabilities to respond to any imperialist aggression

and to win future battles despite difficulties also grows with them, Lezcano said to a group of people who supported the crew's membership, as requested by Fidel.

Foreign Vice Minister on Computer Use at Minrex

FL1004031590 Havana Radio Rebelde Network in Spanish 2353 GMT 9 Apr 90

[Interview with Foreign Vice Minister Pedro Diaz Arcia by Roberto Paneque Fonseca in the Foreign Ministry office—live]

[Text] [Paneque] Comrade Foreign Vice Minister, what has been the impact of the introduction of computers at the Cuban Foreign Ministry [Minrex]?

[Diaz] We began introducing computer techniques, equipment, and resources in Minrex some 10 years ago. We have something that is unique to us. While computers and computer technology are used in various organizations, and especially in some foreign ministries in the mechanization of accounting, preparation of the payroll, budgets, consular activities, and things related to basic and rotation goods; we decided that we wanted to introduce computers for the processing of large volumes of political information. We have prioritized this activity so the first programs, the first systems, and first machines we introduced at Minrex, which we began operating here, have been basically dedicated to the political activity, that is, the processing of political information.

In a second stage, we also mechanized economic and administrative material such as inventories, payrolls, etc. but they have not been a top priority.

[Paneque] What are some of the areas you have been able to mechanize here at the Minrex?

[Diaz] I could give you several examples. Perhaps one of the most representative is the automated processing of the Paris monographs. There is nothing more common in our work than information concerning any country. We have 179 countries included in the machines at this time. Information on history, economy, domestic and foreign policies, bilateral relations, scientific-technical and educational development of any country is included in our system. We can now request open information on any of these 179 countries, and in a matter of some seven minutes the machines make us a small pamphlet for that country—no matter which one it is—including maps and general information given in any profile of a country. It also includes a summary of its history—from the beginning of the country to date—and a set of informational elements which constitute a true introduction to the country. If you want much more specialized information; if you want to go deeper into a specific area shown in the monographs; you need to look for other bibliographic sources; you need to get in touch with an expert on the country, with the country's analyst.

[Paneque] Many thanks to Comrade Pedro Diaz Arcia, foreign vice minister of Cuba.

* Tourism: Potential Problems, Benefits Weighed

90CA0003A Havana BOHEMIA in Spanish 16 Feb 90 p 26

[Article by Alberto Pozo: "The Contradiction of Tourism"]

[Text] As new hotels begin to go up all over the country, some look askance upon international tourism because accommodations are limited.

The most difficult aspect is honeymoon reservations, which have grown in number year after year. Nevertheless, some have been turned down and there have been sudden hotel changes due to errors in planning. Such occurrences are disastrous because they give a bad impression and, above all, because they should not happen.

We are experiencing a difficult situation. The country is in desperate need of foreign exchange, which allows our society to maintain and even raise the standard of living achieved. Foreign exchange is needed to buy raw materials, medicine, educational materials, spare parts to prevent the paralysis of industry, machinery, and equipment for agriculture and science. It is essential to maintain the quality of our lives and we need it more than ever because of the upheavals in Eastern Europe, which may affect assistance from that area and force us into unexpected purchases.

How then can we guarantee an increasing flow of foreign exchange revenue? The only great immediate and medium-range possibility is international tourism. What are our current capacities? For the time being, we can expand tourism only by using the existing capacity, but foreign exchange thus obtained must be reinvested in turn in the construction of new hotels. Today's restrictions will guarantee greater options for our people in the future. We are in a situation that in the long run will benefit everyone.

Tourism guarantees foreign exchange revenue as visitors come into the country, and its very development will help promote new quality industries to replace imports. Furthermore, since international standards will be required, such industries will be able to export because they will be competitive. Tourism also guarantees the sale of our products in stores, meaning exports at retail prices and far greater profits. Tourism amounts to four sources of foreign exchange in one.

But what is the danger represented by this driving force, tourism? That it will not be properly channeled. Personnel must be professionally trained to the maximum degree in order not to provide substandard service or have organizational weaknesses. For example, we recently learned of a Spanish family that reserved and paid for a hotel with all the amenities. However, the

hotel to which they were assigned did not have air conditioning and the buffet they were served had 19 salads, all of lettuce! Then there were the Argentine visitors who made reservations for Varadero beach and did not get what they paid for. This is where the system breaks down.

Nevertheless, the training provided is ever more intense and of better quality. INTUR [National Institute of Tourism] has two training institutes, a center for advanced training in tourism, and a large network of libraries. Cubanacan also operates a very good school at Hotel Comodoro. In both cases, technical assistance is constant. In contrast, in the Dominican Republic, Jamaica, and other areas of the Caribbean, service is superior to ours using illiterate workers! However, they are subject to the following potential threat: "Pick up your paycheck and leave." What happens here? The policy of ability, attitudes, and aptitudes for the post does not provide consistent results, meaning a guarantee of rigorous expectations and discipline.

One problem to bear in mind is crime. Our great advantage compared with other countries is our social climate, the personal safety of foreigners.

In short, we do not deny the contradiction of our limited capacity available today, particularly during the winter season. It is a problem, but let us think about it calmly. We have no other short-term option for continuing to ensure the progress of our society, which has no unemployment, beggars, prostitution, or drugs. And we do have social security for all, public health for all, education for all, food for all, and a better and improving standard of living for all compared with any other underdeveloped country.

We must meditate on these values contrasted with the small limitations we have to bear, then draw our conclusions.

Antigua and Barbuda

Committee Investigates Arms Transit to Colombia

FL1004001090 Bridgetown CANA in English 2208 GMT 9 Apr 90

[Text] St. John's, Antigua, April 9, CANA—Part of a mysterious shipment of arms which transited Antigua last year in April from Israel ended up in the hands of a "most wanted" drugs trafficker in Colombia, the Government here said on Monday [9 April]. The statement came after a special committee, headed by Deputy Prime Minister Lester Bird, was set up last Friday [6 April] to investigate how the arms were shipped through Antigua. Bird said the matter was drawn to his attention by the Colombian Government that same day.

"The exact port to which the arms were shipped from Antigua is as yet unclear; it could be Panama or Colombia. But, it is now known that some of the arms ended up in the possession of one of the world's most wanted narcotics-traffickers in Colombia," said the statement from the Antigua Ministry of Foreign Affairs.

"After consultations with the commissioner of police, the deputy prime minister has ...requested assistance from Interpol to ascertain the identity of those persons or agencies who may have ordered the weapons," it said.

Over the weekend the Criminal Investigation Department (CID) has been questioning three customs officials as well as representatives of a local shipping agency, the Government stated. According to the Ministry, the trans-shipment through Antigua occurred on April 24, 1989, when a container was transferred from one vessel to another. "Investigations reveal that documents were irregularly completed and procedures were ignored to facilitate the passage of the arms through the port in Antigua," the Ministry added.

Bird, who is also foreign minister, held consultations with diplomatic representatives of the United States and Britain and provided both diplomatic missions with details of the information available to his committee so far. The Ministry said the original manifest showed that the arms were consigned to a fictitious address in Antigua: Quartermaster-general, High Street, St. John's.

Bird reported that the Colombian Government has expressed its profound concern particularly at a time when it has launched a serious fight against narcotics-traffickers. He said that as minister of foreign affairs, he shares the deep concern of the Colombian Government. He added that the matter has serious implications for Antigua and Barbuda's standing in the international community, and everything possible must be done to satisfy the Government of Colombia and other governments that Antigua will not be used to endanger their societies.

The committee is still assessing other information which has come to its attention, but until this information is confirmed or denied by Interpol it cannot be made public, the Ministry said. Deputy Commissioner of Police Edric Potter, Comptroller of Customs Ralston Samuels and Permanent Secretary in the Ministry of Foreign Affairs Eric Challenger are the other members of the committee.

Bermuda

South Africa Policy Opponents To Greet Thatcher

FL0904132790 Bridgetown CANA in English 1643 GMT 8 Apr 90

[Report by Martin Gould]

[Text] Hamilton, Bermuda, April 8, CANA—Opponents of Britain's position on sanctions against South Africa are to take their protest to a higher level when Prime Minister Margaret Thatcher visits Bermuda this week. Dozens of kites in the black, gold, and green colours of

the African National Congress will flutter over the island as she meets U.S. President George Bush for a summit on Friday [13 April].

Kite flying is a tradition in Bermuda on Good Friday—also known here as Kite Day—and organisers of the island's anti-apartheid coalition are urging supporters to use the colours for their home-made efforts.

"We are getting a very good response," said coalition organiser Glenn Fubler. "The majority in Bermuda stands shoulder-to-shoulder with the world consensus on sanctions."

A mass rally against Thatcher's stance is also planned for Thursday [12 April], the day she is due to arrive. Two leading anti-apartheid activists, Jennifer Davis, executive director of the American Committee on Africa and Murphy Morobe, secretary general of the United Democratic Front of South Africa, will both be flown in specially to address the gathering. Fubler said nearly all countries accept that sanctions are necessary to pressure South Africa to abandon apartheid.

"Thatcher has been a lone voice in seeking a premature end to sanctions and our colonial status means she determines Bermuda's policy on international affairs," he said.

The meeting between Bush and Thatcher will be the fifth between a U.S president and a British prime minister to be held in Bermuda. South African sanctions are expected to be high on the agenda along with German reunification, the Middle East, and the future of a post-communist Europe.

Grenada

Island's Credit Worthiness 'Very Unfavorable'

FL0904181890 Bridgetown CANA in English 1750 GMT 9 Apr 90

[Text] St. George's, Grenada, April 9, CANA—Finance and Planning Minister George Brizan says that the public finances of Grenada are in a grave state, with the island's credit worthiness "very unfavourable."

He said that the three-week old government has inherited a serious financial problem which would take some time to rectify. According to Brizan, the government which took office following the general elections held on March 13 inherited "an extremely gross and grim financial situation."

"It is going to take us a lot of energy, work, negotiation.... But we are confident that in two to three years' time the public finances of this country will be put on a very sound footing," he said.

Brizan stated that at the end of last year there were unpaid claims in the government treasury amounting to seven million dollars (one East Carib dollar = 37 U.S. cents) for goods and services provided to the previous administration. He said that coupled with this is a further eight million dollars which the past government borrowed from commercial banks in the country to help finance its operations last year.

He spoke of the new Grenada Government having to renegotiate the debt in addition to repaying another sum of 5 million dollars borrowed from the state-run National Insurance Scheme (NIS) in 1989 in the form of treasury bills. Brizan said there was a debt of 1.8 million dollars to the Eastern Caribbean Central Bank. He said that Grenada currently owes 8.4 million dollars in arrears to regional and international organisations as its contributions.

"Our credit worthiness at the moment is very unfavourable as we are in arrears to our major lenders internationally to the tune of 30.1 million dollars in both interest and principal," he remarked.

"We are going to do our very best this year to meet all of the major commitments which are considered top priority," he said.

Brizan also made passing mention to the sort of budget which Grenadians can expect the government to present on April 19. He said the budget would take into consideration "the relative burden on the shoulders of the people and at the same time the grave financial situation of the country."

"We will strike a balance so that it is not excessive on any one's particular shoulder," he added.

Haiti

Trouillot Requests UN Assistance for Elections

FL0904123790 Bridgetown CANA in English 1827 GMT 7 Apr 90

[Text] United Nations, April 7, CANA—United Nations Secretary General Javier Perez de Cuellar has received a request from Haiti for help with its coming elections.

"The secretary general received a letter from the president of Haiti, Madame (Ertha) Trouillot, requesting the UN's assistance in the organization of elections in that country, including the sending of observers," spokesman Nadia Younes said.

A UN mission is now winding up its work in Haiti, she said. The "logistical, fact-finding mission," which has been in the country for 12 days, will report back to Perez de Cuellar. The mission included Reinhart Helmke, UN Development Programme resident representative in Haiti; Mariano Faillos Oyanguren, president of the Supreme Electoral Council of Nicaragua; Horacio Boneo, deputy head of the UN Observers for the Verification of the Elections in Nicaragua (ONUVEN); and Maria Grossi, an electoral expert with ONUVEN.

ONUVEN was the first election observer mission ever sent by the United Nations to an independent, sovereign

nation. Previously, the United Nations had participated only in elections carried out during the process of decolonization.

MIDH's Bazin Interviewed by Government Paper

FL0904230390 Port-au-Prince Radio Metropole in French 1600 GMT 9 Apr 90

[Text] [Announcer] In an interview granted the government newspaper L'UNION and carried on 6 April, MIDH [Movement for the Establishment of Democracy in Haiti] leader Marc Bazin says regarding future elections in Haiti that a single candidacy is not desirable. He suggests that similar political families could unite to propose common candidates. Bazin says he thinks this would give Haitian voters a greater choice. Let us listen.

[Second announcer] We must avoid a return to the situation that existed in 1987, where it was difficult to distinguish between the CEP's [Permanent Electoral Council] strictly electoral functions and the political roles of certain of its members—so said Marc Bazin, president of the MIDH and also president of the National Alliance for Democracy and Progress [ANDP], to the government newspaper L'UNION. The CEP cannot be both judge and party to the suit, says Marc Bazin.

In answer to a question from last Thursday's [5 April] L'UNION , Bazin said he thinks the CEP must be neutral and objective. Otherwise, says Bazin, we will fall into "Gilbertism." Bazin was referring to the second CEP, headed by Jean Gilbert.

Asked how relations between the Assembly for Concerted Action [AC] and the executive are, Bazin noted that they are difficult. According to Bazin, the AC should define its current vocation. Is it a pressure group, a group for conciliation, or a referee?

Bazin continues: We must avoid having the AC be a state within the state, a super government. Bazin also expressed satisfaction over the discussions begun within the AC with a view to the acceptance of a democratic pact defining the AC's role and its ways and means of functioning. Regarding the constitutionality of the State Council, Bazin thinks this is not a genuine issue. This formula has both advantages and disadvantages, stresses Bazin. The important thing is to know how to manage the transition time between the installation of Mrs. Ertha Pascal Trouillot and the arrival of an elected civilian government to head the nation, which will mark the beginning of the real transition to democracy.

Asked about the current demands being made, Bazin thinks it is neither realistic nor reasonable to expect a provisional government without a legitimate popular mandate and without human and economic resources to be able to validly attack the nation's current major problems.

Asked about how representative of the civilian society the AC actually is, Bazin answered that democracy is not built by being exclusive [avec des exclusives]. A nation cannot be built on hatred and divisiveness. Many political currents are not represented in the AC; nevertheless, they too have a role to play in constructing change.

In the second part of the interview Marc Bazin granted the government paper L'UNION, the MIDH leader explains that the choice of a single candidate to represent the so-called democratic sector in the next elections would be neither realistic nor necessary and would not be wholesome regarding the exercise of one's democratic choice. Further on, Bazin stresses that it would be difficult for all the groups comprising the AC to reach agreement—and not just on a single candidate but especially on a platform [project de societe] that would include all the demands of the spiritual family made up of the Group of 12. According to Bazin, the simplest thing for the young Haitian democracy would be for people to gather behind political families on the basis of a common vision, so the population can make a choice.

Regarding the transition that he says would begin with the election of a civilian government, Bazin thinks there are two stages involved. The first stage would be the election itself, which would allow the Haitian people to express their preference for this or that platform. In the second stage, the government elected on the basis of the choice made by the population can open itself up to other political families for a government of national unity based on a minimal common program, with a view to facilitating the transition for the next few years.

Further on, Marc Bazin declares that antimacoutism cannot constitute a governmental platform. The true nature of the political debate should be how to improve the living conditions of the Haitian people—more precisely, what kind of development policy Haiti should have, using what human and financial resources, and within what economic framework.

Asked if Bazin is currently wooing the Duvalierist sector, he says he feels the Duvalierists are Haitians and that he can under no circumstances be the president of only a part of the Haitians. He feels we have nothing to win by returning to the past to settle old scores. For Marc Bazin, no revenge and no witch hunt. The past is the past.

Last, with respect to public administration, Bazin thinks new criteria based on competence, sobriety, honesty, effectiveness, and performance must be introduced. Civil servants should certainly not be fired solely for having belonged to the public administration of the past regime, said Bazin in the government paper L'UNION.

Jamaica

IMF Summarizes Government's Economic Policy

FL0904130690 Bridgetown CANA in English 1613 GMT 8 Apr 90

[Text] New York, April 8, CANA—The Jamaica Government is putting its faith in a combination of "fiscal adjustment and exchange rate stability," to put the country's economy back on a growth path during the current financial year, the International Monetary Fund says. Essentially, says the IMF, the Michael Manley government's approach "is designed to reduce the overall public sector deficit from an estimated 4.4 per cent of the GDP (Gross Domestic Product) in 1989-90 to about 2.7 per cent of GDP" this year while increasing the international reserves to U.S. 220 million dollars and slashing the external current account deficit by more than 50 percent to 129 million dollars.

At the same time, the IMF said in a statement, the Manley administration wants to spur economic expansion and reduce the foreign debt burden by increasing exports, pushing up savings, and "liberalizing" the economy. The Fund, which recently agreed to provide Jamaica with a 107 million dollar stand-by loan, explained that the Caribbean nation had suffered a severe economic setback when Hurricane Gilbert hit the island in September 1988, leaving "severe damage" to housing, agricultural crops, and infrastructure in its wake. That setback occurred after four years of economic growth, noted the Fund.

"As part of the reconstruction effort, the public sector deficit increased, and the balance of payments, and the international reserve position deteriorated," it added.

St. Lucia

Governor Emphasizes Need for Caribbean Unity

FL0904191890 Bridgetown CANA in English 1850 GMT 9 Apr 90

[Text] Castries, St. Lucia, April 9, CANA—Events in the outside world have demonstrated "in a most dramatic fashion" the need for political unity in the Caribbean," St.Lucia's Acting Governor General Stanislaus James told Monday's [9 April] opening of a new session of parliament.

"In the reordering of the world which is currently taking place, there is no room for small countries such as our own. We must unite or perish. The debate and discussions on this issue must have a finite date as the world is not waiting on our sunrise," James said.

"With the events sweeping the world, the countries of the Caribbean and in particular the countries which comprise the Organisation of Eastern Caribbean States (OECS) must realise that our peoples can meet the challenges only under the umbrella of a united Caribbean," James declared.

He stated that with the elections in St. Vincent and the Grenadines and Grenada complete, and those in Dominica due later this year, 1990 will be the year of decision for the OECS.

"It is hoped that the new Government of Grenada will recommit itself to the goal of OECS unity, with the countries of the Windward Islands leading the way," he said. In delivering the throne speech, James said that St. Lucia was once again restating its pledge to "work untiringly" towards the achievement of the goal of unity.

He said that the West Indian Commission created by the Caribbean Community (Caricom) heads of government in 1989 has been charged with the task of preparing the Commonwealth Caribbean for these challenges, and his government will participate fully in this initiative.

"The commitment of the Caribbean to democracy and the rule of law has been restated by democratic elections in St. Vincent and the Grenadines and in GRB [expansion unknown]; but Haiti still bleeds, as one dictator succeeds another in that unhappy country," he noted.

The acting governor general said that in furtherance of the goal of Caribbean unity, the Government in 1989 implemented the decision of the OECS authority to remove bureaucratic restrictions to travel within the seven member states. He said this decision has caused no major problems and the process would continue.

However he said in order to deal more effectively with "undesirable persons" in their attempt to enter the state under the liberalised procedures, the laws pertaining to immigration would be strengthened.

Activist Winhall Joshua Fills Senate Vacancy

FL0904153790 Bridgetown CANA in English 1707 GMT 8 Apr 90

[Text] Castries, St. Lucia, April 8, CANA—Ruling United Workers Party (UWP) activist Winhall Joshua has been appointed to fill a vacant seat in the St. Lucia Senate. Joshua replaces Desmond Fostin, who resigned as Minister of Works following exposure of malpractises at the ministry. Recently Prime Minister John Compton announced he intended to appoint a new minister to head a separate Labour Ministry, and there is speculation that Joshua will fill this position.

Joshua has contested elections in the southern town of Vieux Fort for the UWP at national and local government levels. He was also a personnel manager with the former Halcyon Days Hotel (now Club Med) and was later made head of the philatelic bureau here. He migrated to Canada some years ago, but was summoned to return here to the senatorial post.

Guatemala

U.S. Citizen Killed in DEA Plane Crash

PA0904163090 Panama City ACAN in Spanish 1604 GMT 9 Apr 90

[Text] Guatemala City, 9 Apr (ACAN-EFE)—Official sources today reported that a U.S. citizen died and another was injured in Guatemala when a light plane of the U.S. Drug Enforcement Administration (DEA) crashed due to mechanical problems.

The aircraft, which was on a training flight, crashed in Puerta Parada, in Fraijanes Municipality, 18 km south of the Guatemalan capital.

Pilot David Westeer Corey died immediately while his companion, James McVeal, was injured and seriously burned.

McVeal was taken to the United States for medical treatment.

The plane was used to detect marijuana and poppy fields in Guatemala, a Central American country where drug trafficking is a concern of the United States.

A DEA helicopter also recently had an accident in western Guatemala.

The U.S. Embassy reported that the pilot's body will be taken to Kansas City, Missouri.

Honduras

* Callejas' First 30 Days Reviewed

90CA0005A Tegucigalpa EL HERALDO in Spanish 27 Feb 90 pp 20-22

[Article by Armando Cerrato]

[Excerpt] A hurried purchase of oil and corn, the creation of the Honduran Social Investment Fund, and the first steps to an agrarian accord are the results of the first month of work of the government presided over by Rafael Leonardo Callejas, which ends today.

Heir to a bankrupt country, and facing problems that Jose Azcona Hoyo's liberal administration deliberately created so as to embitter his triumph, Callejas had to resort to international cooperation to survive these first 30 days and keep the country moving.

That is how, in a maneuver requiring rapid and personal contacts, he succeeded in convincing the American refinery Texaco to grant a 90-day grace period for the cancellation of a dollar debt, and persuading Mexico to provide crude oil for that time period.

In that way he was also able to silence growing protests by industry, trade, and people in general who in desperation were only able to obtain 4 gallons of gasoline or diesel to fuel their automobiles, through some 3 hours of waiting in long and tedious lines.

In another rapid development, Callejas succeeded in purchasing 126,000 quintals of corn that will serve to alleviate the almost chronic food shortages Honduras suffers, which keep people on the verge of desperation and a social explosion of unpredictable consequences.

What is now needed is for that basic grain to be distributed in a rational and efficient manner at reasonable prices, which will permit oppressed heads of families to pay only a few centavos to provide their dependents with the necessary diet and complete the daily search for other priority subsistence needs.

Mobile Government

The president has not taken a breather and spends his weekends keeping himself visible and watchful, and using something that he very euphemistically calls the "mobile government" he has visited some of the larger cities, particularly on the country's northern coast.

Until now, the only positive result of his travels has been a 500,000-lempira subsidy he gave to the municipality of San Pedro Sula, a city that seems to attract him greatly and to which he constantly travels for talks, conferences, and meetings.

His appearances in the north appear to be an extension of Callejas' own electoral campaign, and now that he is president, he continues to give no definitive signs of relying on a specific plan for governing.

At times the president appears partially terrorized at the socioeconomic realities he must now face, and he emphasizes the need for his proposed accord to be achieved soon, not merely to obtain a consensus on the solutions to be applied, but to generate militant support in order that the severity of the solutions be tolerated with stoicism and there be a basic pattern to the discontent that they will inevitably cause.

The biggest problem is that the president has not yet clarified which measures are to be applied, and his principal aides are wallowing in confusion and give the impression that they have not yet found their positions or connected with the president's ideas.

During the middle of the week, Callejas arranged to visit state administrative departments, and while at the Ministry of Natural Resources, in addition to promising labor stability to employees, he signed a decree prohibiting the killing, capture, and sale of wildlife until a study of the issue has been completed.

In addition, he gave the Municipal Government of Tegucigalpa a subsidy of 500,000 lempiras, and recently signed an agreement with the Ministry of Health and Social Assistance to donate $200,000 to purchase medicines for state hospitals.

A Lot of Smoke but Little Fire

With the exception of the activities of the president himself, and some work on the part of Minister of Housing and Public Credit Benjamin Villanueva and National Agrarian Institute (INA) Director Juan Ramon Martinez, the rest of the Callejas administration officials have until now been "a lot of smoke but little fire."

The members of the cabinet, comprised of a circle of highly qualified officials, seem to be competing through statements that, at times, reflect complete inconsistency with the president's plans and assume autonomy in carrying out the tasks with which they have been charged.

While Callejas maintains an open-door policy in the Presidential House and has requested the understanding of his personal guard because he "needs contact with the people," some of his aides have cloistered themselves in their offices.

Maybe they hope soon to surprise him with the panacea to the problems of their area, as they remain ensconced within their enormous offices in the comfort of artificial light, air conditioning, the services of a body of assistants, and something strange, the diligent and efficient labor of the secretaries.

Pink Slips

With the change in government the traditional flood of pink slips has begun, which contain the bad news that an official, whatever his level, is no longer needed, and pushes the unemployment figures the president referred to in his campaign and inauguration speeches over 1 million.

The first dismissals were given in the Presidential House to cooks and waiters, followed by the pages in Congress and later a whole range of employees of all types, initiating a long chain of uncertainty in all administrative departments.

The new masters of executive power allege they have found excess personnel, featherbedders, and people placed in positions for which they are unqualified, causing the word "restructuring," which is always employed in a somewhat perjorative sense as a euphemism for dismissals, to again come into vogue.

Many of the dismissals, however, are or will be justified, since there are departments consisting of a manager of drivers, 14 drivers and only 2 vehicles functioning, and during office hours one can only find 1 available driver, because the rest must carry out the orders of the bosses and secretaries on foot.

There is also a body of secretaries who spend many hours of the working day merely wagging their tongues, because office work requires only a few minutes during the last hours of the afternoon.

Dismissals could easily reach 10,000 in the current administration, which faces the task of reducing the fiscal deficit through public spending reductions, which can only be achieved through shrinking the government, and that only if they return to the policy of no new hires.

Political Demands For Jobs

Callejas has another serious problem on his hands, the growing political demand for employment on the part of his grass-roots directors and activists, who exerted pressure in recent weeks to the point of calling a protest march from the National Party's Central Committee Headquarters to the Presidential House.

What is certain is that the president ordered the immediate creation of the Honduran Fund for Social Investment (FHIS), obliging Council of Economic Planning Executive Secretary Manlio Martinez to announce its creation with great fanfare at a press conference.

Manlio Martinez said that 25 million lempiras had been allocated to capitalize the Honduran Fund for Social Investment, which will be strengthened with donations, loans, and any other financial mechanisms that can be rapidly negotiated, since the new institution will have the authority for that; and he gave the name of the person who will direct it.

The press conference took place almost a week before the National Congress approved the decree giving life to the Fund, amidst protests from the liberal wing, which anticipates and fears that the new institution will evolve into something similar to the bankrupt National Investment Corporation.

The Honduran Fund for Social Investment was proposed to alleviate the growing and explosive social pressure caused by unemployment, by creating 70,000 new jobs, although it is not known if this will occur during the 3 years planned for its operations, or for each year of its useful life.

Gatherings

As hunger and need know no hours, people continue to gather in Congress, the Presidential House, and all the state enterprises, waiting to spy a recognized nationalist with sufficient power for one of his recommendations to be considered an order, that they might obtain work.

Added to that are the growing numbers of hundreds of activists, grass-roots directors, and community leaders who are convinced that their work to bring Rafael Leonardo Callejas to power deserves a reward, and no less than a public service job, which one need only ask for today to be given tomorrow.

Some personnel and section managers in some state enterprises have decided to not accept recommendations of a political nature, and some go even farther and in a daring and petulant tone say that they will not even give in to an order from President Callejas.

At times, those who are waiting show undisguised disdain toward officials who pay them little attention and toward certain extremely tight security measures that have been implemented, which they always compare to those of the Presidential House, where they will indeed be attended to even though no one knows with what result.

Defending Employment

On the other extreme, prepared to defend the labor rights of its members because it has no say over the dismissals, is the belligerent leadership of the National Association of Public Employees.

This association's work is currently focussed on achieving labor benefits for all those dismissed who are under the protection of the Labor Code and the Civil Service Act.

For those with jobs not falling under the protection of either of these two legal instruments, there is only the hope for generosity on the part of those doing the dismissing, that a severance payment will be provided that will relieve the torment they will suffer upon joining the army of the unemployed.

Despite the fact that in the new government there are senior worker leaders of some renown and recognized militancy encrusted in key positions, their activities defending the jobs of those who have them has been zero.

It seems that the workers now involved in politics do not care about the fate of their former class comrades, and that they are busy maintaining the political image, which in an act either of generosity or unbounded demagoguery Callejas has sketched out for them.

Moreover, some of the many statements by the new bureaucrats with hands supposedly calloused by daily work are in favor of the chain of dismissals initiated by the owners of the power and jobs, and completely discouraging for the grass roots.

The Agrarian Accord

One sector to which Callejas feels particularly committed is that of the peasant, since he comes from a family of landowners and is well acquainted with the work, in addition to being an agricultural economist and former minister of natural resources.

Perhaps for that reason he has instructed his INA director to try as soon as possible to look for an honorable arrangement in the dispute between landowners and peasants and identify a way for them to join forces to fully dedicate themselves to the production of food products, essentially basic grains.

"I want an agrarian reform that will address the problems of peasant poverty and that will permit that sector's effective participation in decisionmaking on a national scale," Callejas told San Pedro Sula businessmen, in one of his now common visits to that city.

He added that the agricultural institutions and the peasant organizations must have a mission of improving the quality of life on the land and not become bases for propagating political alternatives.

One week later, Juan Ramon Martinez made public a document containing the basic points of an agrarian accord and called upon peasants and landowners to initiate a dialogue, separately, as a test, to later facilitate joint discussions.

The basic thrust of the document calls for peasants to cease their "invasions," and for the organizations to dedicate all their efforts to the production of basic grains.

He surprised public opinion in his use of the word "invasions," since as a former press analyst before becoming a government official he used to refer to these actions as "retaking," a word more in keeping with the thoughts and actions of the peasant organizations.

The workers, on their part, made it clear that they do not want to dedicate all their efforts merely to the production of basic grains, and hope for support from the agricultural organizations for diversifying the land's activities.

Peasant leaders believe that an oversupply of basic grains could make them magnificent producers but living in the same pauperized conditions as they do now, because prices would necessarily fall to unprecedented levels.

They are openly opposed to an excessively oppressive presence—as has been the case until now—of the United States Agency for International Development (AID), and they steadfastly refuse to abandon their cyclical plans for land recovery as pressure for agrarian reform to go forward.

They demand the delivery of 90,000 manzanas of land and 135 million lempiras this year to initiate productive labor for the cultivation of basic grains, even though organized groups' true land needs are 300,000 manzanas.

The peasants' only working draft is the INA document and they will soon present their own observations of what they believe should be an agrarian accord, having established that it is necessary for the other party in the dispute, the landowners, to also put its cards on the table.

Another of the peasant class' specific points is that landowners should say how much of the basic grains they are willing to produce to fill the necessary quota for the Honduran food problem to be resolved, as well as cancellation of debt of up to 60 million lempiras.

The landowners are in agreement that an agrarian accord is necessary, but they do not want a definite time frame, which in reality means that for them the status quo is ideal.

They also say they are conscious of the fact that they need to produce basic grains, but to do so they need stability in the agricultural sector without necessarily having to sacrifice land from their own properties.

The INA has obtained nothing more, until now, in terms of positive points to their proposal except that both sectors accept performing an agricultural census and thoroughly discussing a possible agreement that they will consider valid.

Landowners and peasants have made it clear, however, that if the Agrarian Reform Law were applied in spirit and in letter "there would be no need for an accord or invasions."

Martinez may win the president's political and economic support if he obtains the agrarian accord, because until now he is said to have limited recourses but much goodwill for resolving the problems created for him by the "hot potato" they have dropped into his hands.

Stagnant Foreign Relations

Despite the fact that Callejas is willing to open the country to Europe, Japan, and eventually some socialist bloc countries, the regime's foreign policy has not yet been defined and progress is at a standstill.

Until now, the fact that one could open relations with every country in the world could be used as a warning or threat whenever the foreign policy of the United States tainted the supposed alliance that the Honduran and gringo governments claim to have.

For that purpose, and as a distraction for domestic consumption, the Foreign Ministry uses at every opportunity the suit it has brought against El Salvador in the International Court of Justice for possession of 469 square km of territory on the mainland and various island possessions in the Gulf of Fonseca in the Pacific Ocean.

Now that Nicaragua has also become involved in the problem the issue is raised more frequently and it has been made clear to the people that the solution could take some time, because with a third party in the conflict things have become unexpectedly complicated.

Things have not progressed beyond isolated declarations on the part of Honduran Ambassador to Washington Jorge Ramon Hernandez Alcerro requesting a review of relations with the United States.

Such an unexpected outburst of anti-imperialism from a man far from professing it as an ideology arose because the U.S. Government requested international financial organizations to "twist the arms" of debtors and significantly reduce the amount of economic and military aid to Honduras.

The possibility of the United States implementing a less tolerant policy was thus mixed in, and some very optimistic groups even came to believe that the moment had come to take advantage of the United States military presence, or in the best of cases, remove it.

But the Callejas administration remains static and ready to move closer to the United States in search of the economic support that will allow it to develop a moderately successful government.

Nor, in this vein, is there anything definitive on the "contras," who cross our border with impunity and use our territory to continue their guerrilla war against the Sandinista regime in Nicaragua, with the CIA's Machiavellian military support and AID's humanitarian support.

Callejas, on various occasions, and as a merely declarative action, has said that "the contras should go to Nicaragua or any other country that wants them."

But the declaration does not imply definitive action, despite the growing presence of the until now symbolic forces of the United Nations, who limit their activities to luxury hotels, helicopter observations, and the establishment of posts in sites very removed from the hot zones like the city of Danli.

Tacit recognition has been given to the government which the United States has placed in Panama, on consenting to request that Guillermo Endara name an ambassador there, and verbal communications continue with respect to internal affairs in Nicaragua, and the desire for a change of government in that country.

The administration also took the step of allowing the "contras" to make propaganda announcements calling for votes for the National Opposition Union in the elections that took place in Nicaragua last Sunday, almost as if it were a domestic campaign.

The president, as delineator of foreign policy, understands that he cannot remain isolated under the country's current circumstances, the worst crisis in its economic history, and moving in pursuit of a regional leadership that will permit him to put the name Honduras among the highest ranks.

For that reason, and disregarding all the criticism directed at him, he has decided to go out as often as possible to sites where his presence can capture some advantage for his government.

Before becoming president he was in the United States, Japan, and Europe, where he made some important contacts; he went to Mexico and Venezuela and is prepared to go to Chile, taking advantage of the trip to chat with the head of the Spanish Government, Felipe Gonzalez, a man anxious to reconstruct what Carlos V

came to define at one time the "empire on which the sun never sets," and from which something can be taken.

Callejas proposes to use the weekends to travel throughout Central America and explore the possibility of giving impetus to the regional peace process, although his political adversaries believe he is going in hopes of emulating Oscar Arias, to see if he can obtain a Nobel Peace Prize.

Where Time Stands Still

For the areas of Health, Education, Labor, Economics, Central Bank, Natural Resources, Culture and Tourism, Defense and Public Security, Governance and Justice, Economic Planning, Communications, Public Works, and Transport, time seems to have stood still.

Apart from the unfocussed statements made by the ministers of those areas nothing good has been produced, and it is possible that the president is already thinking about a change in due time that can in no way go beyond the first 6 months of his government.

The heads of Economics and Trade, Joaquin Medina Luna and Cesar Castellanos, appear to be convinced that the change consists of a "liberation," and in this way the former wants to apply it to all marketable products and the latter to medicines.

If this liberation were to produce inflation, popular consumer items would multiply almost immediately, such as medicines in pharmacies that can now only say "we don't have any," and must return to old native recipes with infusions and tea of various types of herbs and roots that sometimes work and sometimes do not.

Castellanos has gone no further than that, and intends to raise the top limits of the Honduran Social Security Institute (IHSS), which would hurt the already discontent worker class maintaining the institution with their deposits, in the face of the infinite disdain of the state which owes it 400 million lempiras in contributions as an employer.

Along the same lines are various businessmen and industrialists who do not provide contributions to Social Security as employers, but do deliver the payroll deductions contributed by their workers.

Meanwhile, in the hospitals there is no medicine or equipment, and preventive medicine is at rock bottom since a new epidemic of measles has been detected that has already killed 8 people and affected another 1,070.

The hospital situation is so disastrous that promoters of nationalistic scenarios who rely on the presence of the president and his wife Norma Gaborit de Callejas, at a cost of 200 lempiras on up, recently donated more than 200,000 lempiras to the League Against Cancer to purchase a pump for cobalt radiation.

Bag of Tricks

Everyone is hoping that the president will open his bag of tricks and as if by magic solutions are starting to appear to knock down problems such as family economics.

The prices of the few products that one can still find in the markets have exploded to ever higher levels that tire the muscles trying to keep up with them to satisfy needs.

Dehydrated milk is at 45 lempiras per can, and liquid milk is only sold if at the same time one also purchases one or two jars of fruit juice, and in some places only if the purchase is really significant.

A measure of beans (2 kg) is 6 lempiras and sugar is becoming scarce, meat has gone up twice in one month and today a pound costs 4.5 lempiras.

While some of his closest aides have refused their salaries because they are well situated economically, Callejas has promised a surprise with the salary due him as president of the Republic.

There are great expectations as to what the president will do with his salary and also to know those of other officials who were well placed in the private sector, even though their spectacular salaries were paid for by AID.

It is also expected that the first lady will set a good example in the National Council of Social Welfare, whose facilities she has refused to utilize as an office since she has taken refuge on the second floor of the Presidential House.

Maybe for that reason the Presidential House rotunda appears more crowded every day with people of all social strata who place their hopes in an interview with the governing couple or one of their close aides.

[passage omitted]

* Changes in Government Organization

90CA0005B Tegucigalpa LA TRIBUNA in Spanish 27 Feb 90 p 2

[Text] The Ministry of Economics should be a "controlling entity" and make of itself an agent to stimulate and promote domestic and international trade, according to a memorandum sent by the head of that organization, Ramon Medina Luna, to the ministers of Housing and Planning and the president of the Central Bank.

Medina Luna's first proposal is to change the name of the Ministry of Economics to the "Ministry of Economic Development (MOFE)", although he indicated that this change could be cancelled if it presented a constitutional problem.

He added that the MOFE's objective "would be to serve as an instrument to promote, diversify, and facilitate productive and commercial activities that have net positive impacts on national economic development."

The new organizational structure being proposed for the MOFE would be the following: one minister, two vice ministers, and four departments.

The vice minister of economics for business management affairs would have under his jurisdiction the departments of production promotion and administrative simplification.

The vice minister of economics for economic development affairs would have responsibility for the departments of trade policy and economic development.

The role of the minister of MOFE would be centered on the following: contribute to the definition and execution of economic policy according to the direction set by the president of the Republic, and secondly, to manage the operations of the ministry and the autonomous entities corresponding to it.

The Department of Production Promotion would be responsible for applying any approved legal instrument to promote economic activity.

This body would administer the Temporary Import Act, the Export Promotion Law, the Free Zone and Industrial Park Laws, and the Consumer Protection Law, and would be assigned the Tourism Law and Mining Law.

The Department of Administrative Simplification would serve as a center for producing and disseminating information on bureaucratic procedures affecting domestic and foreign firms.

The guiding principle of this department would be to simplify the administrative measures that businesspeople must take with respect to the government to initiate or efficiently operate a business in the country.

The Department of Trade Policy would be responsible for analyzing international trade movements, defining the positions corresponding to the national economic interest, and undertaking foreign trade negotiations with countries and international organizations.

This department would also handle the opening of bilateral trade relations, regional economic integration initiatives, and negotiations with producer or consumer associations and United Nations organizations.

The Department of Economic Development would be the unit responsible for originating, formulating, and reviewing policies promoting business investment in different areas of economic activity such as forestry, tourism, mining, agroindustry, industry or other sectors representing significant potential for national development.

The basic principle of this department would be to propose and execute policies agreeing with business interests in the sectors where these lie.

Tourism Transferred to Another Ministry

President Rafael Leonardo Callejas has decided to transfer to the Ministry of Economics the branch of tourism that had been functioning as a part of Sectur [Secretariat of Culture and Tourism] and that from now on will be referred to as the Honduran Institute of Tourism.

In a Presidential-Interministerial agreement signed by the executive, Minister of Economics Ramon Medina Luna and Minister of Culture and Tourism Sonia Canales de Mendieta, it was established that the Minister of Economics would be responsible to the head of state for managing the results of the tourism sector.

The transfer is part of the new reorganization of that ministry, which is to be known as the Ministry of Economic Development (MOFE).

In the Presidential-Interministerial agreement it was established that operational activities and direct execution of tourism sector policies would be the responsibility of the Department of the Honduran Institute of Tourism, the administration of which will be the sole and exclusive responsibility of the Ministry of Economics and Trade.

"The Secretariat of Culture and Tourism will be committed to undertaking all those formalities the law requires for overseeing the statutes, at the requirement of the Department of the Honduran Institute of Tourism."

Likewise, it establishes that Culture and Tourism will be committed to transferring the budget, which is composed of funds that the tourism sector itself generates, and will also ensure that all Department of Tourism employees respect said accord.

* Future Trade With USSR Reviewed

90CA0005C Tegucigalpa LA PRENSA in Spanish 21 Feb 90 p 2

[Text] Officials at the Ministry of Economics and Commerce have characterized as hopeful the future trade relations between Honduras and the Soviet Union, after last Monday's visit by Yuri Visoslov, trade and economics attache from that country in Central America.

The discussions began with the trade agreement signed last year during Reginaldo Panting's administration as minister of economics, and subsequently approved by the National Congress.

Vice Minister for Foreign Integration and Trade Affairs Ramiro Figueroa said that the visiter showed Ministry of Economics authorities that it is time to review Honduran products that can be exported to his country in exchange for machinery and agricultural inputs.

He also spoke of the possibility that the Soviet Union could sell steel rods, an important construction material lacking in this country, Figueroa said.

Being knowledgeable about coffee affairs, since he had for some time managed the coffee affairs office in London, our interlocutor noted that the product has great potential for export to the Soviet Union, as do sugar and citrus products.

The official mentioned the possibility of negotiating with the Soviets to set up an automobile assembly plant, such as the one about to be constructed in Costa Rica, and indicated that here there is manpower that can be trained in a short time and have a permanent source of employment.

The issue of the installation of a trolleybus in this capital was extensively discussed during the meeting with Visoslov; that issue had been dealt with during the previous administration and now it is of particular interest to the National Autonomous University of Honduras.

As far as is known, the operation of a means of transport such as this would facilitate the transport of hundreds of students living in diverse sectors and neighborhoods of the city, who travel to the University campus to take classes at all hours of the day and night.

Transportation shortages have created serious problems, including attendance at the University, for which it is necessary that the system be substantially improved.

If the negotiations are concluded successfully, the trolleybus service would extend to the University's academic facilities established in other areas of the country.

Figueroa declared that the system would alleviate the high cost of fuel and resolve environmental problems, since it would be operated by electricity produced at El Cajon.

But he indicated that everything should be subject to wide-ranging analysis of the sectors involved, not only on the part of the Soviets but also by members of the Honduran private sector.

* USSR To Provide, Install Trolleybuses

90CA0005D Tegucigalpa LA TRIBUNA in Spanish 21 Feb 90 p 2

[Text] The central government has given its approval for National Autonomous University of Honduras (UNAH) authorities to negotiate with the Soviet Union for the acquisition and installation of 30 trolleybuses to resolve the transport problem of the university community.

University authorities, led by Secretary General Angel Valentin Aguilar, met with Ministry of Economics officials to determine the central government's stance on the trolleybus project offered by the Soviets.

The trolleybus network to transport university students will operate in Tegucigalpa, San Pedro Sula, and La Ceiba "and the units will be acquired through an exchange of agricultural products with the Soviet Union," said Vice Minister of Economics for Foreign Integration and Trade Affairs Ramiro Figueroa.

He explained that the university trolleybus project "will not only serve to alleviate the costly burden on the national budget that fuel expenses represent, but will also contribute to resolving environmental problems."

Figueroa indicated that for the moment there are no figures on the project, but that the Soviet Government is willing to finance the feasibility study that will serve as the basis for negotiating the acquisition of the 30 trolleybuses by the National University through an exchange.

Nicaragua

Transition Commission Negotiates Demobilization

First Round of Talks Concludes

PA0904215490 Panama City ACAN in Spanish 1934 GMT 9 Apr 90

[Text] Tegucigalpa, 9 Apr (ACAN-EFE)—The special transition commission, consisting of representatives of Nicaraguan President-elect Violeta Chamorro and the contras, concluded its first round of negotiations today without an effective agreement to speed up the demobilization and disarmament of the anti-Sandinists.

Roberto Ferrey and Leopoldo Navarro, representatives of Chamorro, and contras Luis Armando Sovalbarro ("Commander Johnny"), Max Rodriguez ("Wilmer"), Bohanerges Mathus, and Aristides Sanchez participated in the negotiations that began on Saturday [7 April].

The final communique, which was released at a news conference, reiterates the 23 March agreement which was signed in Tegucigalpa in which the contras promised to disarm its members in Honduras "by 18 April at the latest."

That commitment remains in effect, but the contras added new demands regarding the demobilizing and disarmament of their forces inside Nicaragua, approximately 8,000 men, for whom there is not yet a demobilization date.

In the document released today, the contras reiterated their offer to accept a definite cease-fire and to concentrate their men in five enclaves in Nicaragua in exchange for obtaining "real guarantees" for those who lay down their weapons.

In this regard, the Nicaraguan Resistance [RN] said "it is necessary" that it be permitted to send an official delegation to Managua, prior to 18 April, to negotiate with Chamorro's transition team.

The RN reiterated that one week before Chamorro takes office as Nicaraguan president on 25 April, it will turn over the weapons of its forces still in Honduras.

However, "Wilmer" told ACAN-EFE that only about 500 RN fighters will surrender their weapons in Yamales, the anti-Sandinist headquarters in Honduras, because the rest of the troops entered Nicaragua in recent weeks.

In this regard, Navarro commented that "this is the only demobilization that is definite, because the contras inside Nicaragua will not demobilize until they believe the conditions exist to permit them to do so."

Both Chamorro's delegates and those of the RN agreed that "they will be unable to advance until the UN blue helmets promote the pacification process."

Sanchez, a member of the contra political commission, said that "if the UN Observer Group in Central America (ONUCA) and the International Commission of Support and Verification do not speed up their activities, it will be impossible to carry out a total demobilization within the short term."

The special transition commission did not set a date for a new meeting, but RN sources said they would like it to be held in Managua within two weeks.

Participants Hold News Conference

PA0904210390 Tegucigalpa Radio America in Spanish 1642 GMT 9 Apr 90

[News conference by Nicaraguan Resistance delegates Aristides Sanchez, Bohanerges Mathus, and Commanders Johnny and Wilmer, and government-elect representatives Leopoldo Navarro and Roberto Ferrey, with unidentified reporters in Tegucigalpa—live]

[Text] [Reporter] [Question indistinct]?

[Sanchez] One of the breakthroughs of the Toncontin agreeement is that we agreed in principle on the areas where the armed troops of the Nicaraguan Resistance will go. This agreement is just about concluded, except for the technical aspect which involves the engineers having to measure the areas. Now everything hinges on how fast ONUCA [UN Observer Group for Central America] can send its military personnel to verify the cease-fire, separate the troops, and begin the necessary surveillance operations in these areas so the contra fighters do not have to engage in military actions with the Sandinist People's Army [EPS].

[Reporter] What have ONUCA and CIAV [International Support and Verification Commission] said? When will they leave?

[Ferrey] We met with them. They say they will soon have a more specific answer regarding this situation. Presently, the UN mission does not have the military personnel that will be in charge of surveillance and verification missions. There are support missions in Tegucigalpa, Managua, and Costa Rica. However, the 700 Venezuelan soldiers have not yet arrived in Nicaragua or Honduras. The information we have is that the first contingent of approximately 150 Venezuelan soldiers may arrive tomorrow.

[Reporter] Mr. Ferrey, would not 150 soldiers be enough? When did ONUCA tell you that the entire contingent will be here to help remove the contra troops?

[Ferrey] They cannot give an exact date. They know the first group is expected to arrive tomorrow. However, it is still not clear and there is no precise date when the rest of the Venezuelan military group will arrive.

[Unidentified RN representative] It is important to stress some RN stances in this regard. The RN wants to begin, as the Toncontin states, the disarmament and demobilization process. The swiftness of this process, as Dr. Aristides Sanchez noted, will hinge on how swiftly ONUCA, and also CIAV, can move. As far as the RN is concerned, we are taking specific steps. There is goodwill to reach a bilateral cease-fire between the Sandinists and the RN and to go to the enclaves areas.

[Reporter] [Word indistinct] issued a communique discussing the demobilization in Honduras and the surrender of weapons and [words indistinct] the weapons that will be turned over. The same communique also stated that international organizations and Cardinal Obando y Bravo must verify the cease-fire in Nicaragua. It also reminded the government that humanitarian aid and medical care must continue. Is the disarmament in Honduras also contingent on the cease-fire and the continuation of humanitarian aid?

[Unidentified speaker] The Toncontin agreement states that the surrender of weapons in Honduras must be simultaneous with the verification of the cease-fire in Nicaragua. It has already been explained that it will not be possible to verify the cease-fire simultaneously with the demobilization because the international organizations cannot fulfill the mandate they received through the Tela document. To show its political intentions and will, the RN decided to go ahead and surrender the weapons and urge the ONUCA gentlemen to move to Nicaragua and verify the cease-fire. That is the problem that exists, but we did accept...[changes thought] We do have problems involving the contra personnel. Some of them will choose to relocate in Nicaragua, while others will want to stay in Honduras or go to another Central American country, as stated in the Tela document. That has been duly considered. We want to know about and discuss the document and status these people will have, depending on where they want to go.

We will also discuss the matter with some U.S. officials, as some of the contras want to move to the United States. We want to see if the United States is committed to supporting the peace process and offering a haven to all the fighters who wish to move to the United States. Therefore, we must settle several things now so that on 18 April we can peacefully demobilize all contras in Honduras.

[Reporter] How about the fighters who have entered Nicaragua with their weapons? How will they be disarmed?

[Sanchez] That has already been taken into consideration. Those who are in Nicaragua are going to continue with the process according to the steps that were explained earlier. First, there must be a cease-fire that can be verified. Later, there must be a separation of troops; the EPS will be on one side, and we will be on the other side. Later, they will enter the territories where they will remain, and that entry must be verified. There will then be a discussion of the physical, political, and economic guarantees for the fighters who will join civilian life in the future.

[Reporter] Mr. Sanchez, [words indistinct].

[Sanchez] An inventory on that is being taken right now. We have no exact information on that. It is being handled by the high-ranking military command; in other words, Commander Franklin and the General Staff and all the commanders with the ONUCA and CIAV personnel are handling it.

[Reporter] [Question indistinct]?

[Sanchez] Under no circumstances. We continue to believe this, and we have told the president-elect's commission that it is a healthy idea for all the Ortegas, and particularly all those omembers of the Sandinist party who have ranks of colonel and above, to join civilian life. If not, it will be very difficult for any trust to exist and very difficult for the people of Nicaragua to further strengthen Violeta's government. She has to make clear decisions and comply with the will of the people, and that is the dismantling of the Sandinist system in Nicaragua.

This is not a demand, it is a petition. To contribute to the reconciliation of the Nicaraguans, it is necessary that all those members of the EPS who are colonels and above join civilian life.

[Reporter] [Question indistinct]?

[Sanchez] We have already explained that. It all depends on how much the international institutions can cooperate with their tasks.

[Reporter] Is it true that the weapons will be burned and destroyed in Yamales?

[Sanchez] ONUCA said that, and that is their problem. Our obligation is to turn the weapons over. The final destination of those weapons is the decision of ONUCA and Cardinal Obando's commission.

[Reporter] How many fighters will be turning their weapons over in Honduras?

[Sanchez] We cannot give any exact information on that, because we do not have that information right now. We are going to work on that.

[Reporter] Do you agree with the idea of the enclaves in Nicaragua?

[Sanchez] We had already basically agreed on that.

[Reporter] These enclaves will be 3,000 sq km each?

[Sanchez] Each enclave will measure 500 sq km. I also want to remind you that these enclaves specifically refer to the Army of the Resistance of the Northern Front. There are also fighters in the south, and they will take their measures and reach their own agreement. For example, the people from Yatama have something similar. These five enclaves are exclusively for the Army of the Resistance of the Northern Front.

[Reporter] It is said that many Nicaraguans do not want to return to Nicaragua, do not want to be in Honduras, and prefer to go to the United States. What steps and assistance will the U.S. Government adopt?

[Sanchez] We will go by the statements made by President Reagan while he was in office. He always said he would support the freedom fighters of Nicaragua. President Bush and the secretary of state have confirmed that on several occasions. We believe that to support the freedom fighters also means to shelter them in the United States and provide them at least with the basics so they can initiate a new life.

[Reporter] How many RN members are planning to go to the United States?

[Sanchez] I believe there are some 100,000 persons in political asylum in the Miami area alone. We believe that this might increase to about 20,000 more. This would include relatives, fighters, and many more.

[Reporter] Why is there not a figure on how many Nicaraguans there are in Honduras? How many contras are there in Honduras?

[Sanchez] This changes every day. What President Callejas said is true. He said there were 4,000 when he had this report, and that is the truth. But from that day to today, there are approximately 500 to 1,000 left, I believe.

[Reporter] Did ONUCA ask AID for $3 million to carry out the demobilization of the contras? Those funds were denied, and as long as those funds are not available, the demobilization process does not move.

[Sanchez] Well, those funds are not ours. Ask ONUCA and AID. They distribute their funds as they wish.

[Reporter] How will you feed the contras?

[Sanchez] They have been eating in Nicaragua for many years. The Nicaraguan people help the fighters and have been doing so for many years. That is the great social basis of the resistance. It is the same social basis that contributed to the victory of Violeta Chamorro. If you consider the facts of what happened during the elections, the operations areas of the resistance provided a margin

of 70 to 80 percent in favor of Mrs. Chamorro, and that is the social basis of the resistance.

[Reporter] How about the troops who are inside Nicaragua? Is there enough food for all of them?

[Sanchez] There is enough food for them, and enough friends of goodwill who will help them.

[Reporter] We would like to know if any progress has been made. What agreements were reached at last Saturday's meeting?

[Sanchez] There has been substantial progress. An agreement in principle has been reached on the territories where the soldiers, the armed fighters, will be located in Nicaragua. That is one great step.

[Reporter] What is the agreement? Where are these places located?

[Sanchez] Dr. Ferrey already read that, and copies of the document will be distributed to all of you.

[Reporter] Could you tell us [words indistinct] about the areas?

[Sanchez] There are five areas, each one measuring about 500 to 600 sq km.

[Reporter] And where are they located?

[Sanchez] Throughout the national territory, from the northern part—say in Jinotega—to the southern part of Nicaragua, in Rio San Juan and Chontales Department.

[Reporter] When will this be [word indistinct]?

[Sanchez] It all depends on the speed with which ONUCA works and complies with its mandate, which is that of verifying the cease-fire and the separation of forces and later of surveilling the territories. Thank you very much.

Resistance Issues Communique

PA0904194890 Tegucigalpa Radio America in Spanish 1638 GMT 9 Apr 90

[Communique issued by Nicaraguan Resistance in Tegucigalpa on 9 April]

[Text] The Special Transition Commission established by point 3 of the Toncontin Agreement met in Tegucigalpa on 7, 8, and 9 April to begin implementation of all accords that have been reached.

1. The Nicaraguan Resistance delegation has expressed its willingess to adhere to the unilateral cease-fire and to halt offensive military operations.

2. To have an effective cease-fire, the RN is willing to negotiate a bilateral cease-fire with the Nicaraguan Government with the conditions and steps being determined with the technical assistance of the group of UN Observers for Central America, ONUCA. This should be completed not later than 18 April.

3. This cease-fire will only be effective to the extent that ONUCA and his Eminence Cardinal Obando y Bravo are able to verify it.

4. The RN reaffirms that it is willing to order its troops to gather in one general area in Nicaragua, rather than remain spread out. Once the required security zones have been delimited, ONUCA, along with his Eminence Cardinal Obando y Bravo, will be able to ensure a climate of security and order.

5. The RN hereby expresses its agreement, in principle, with the delimitation of security zones that has occurred, and will proceed immediately to finish this task with technical assistance from ONUCA.

6. The RN considers the International Commission of Support and Verification's participation as essential in the demobilization process for fulfilling the tasks entrusted to them by the Tela and Toncontin Agreements.

7. The RN hereby expresses the necessity for having its own delegation travel to Managua prior to 18 April to speed up the implementation of the Toncontin Agreement.

8. In compliance with the Toncontin Agreement, the RN will deliver the weapons—of its forces still remaining in Honduras on 18 April at 1200 noon in Yamales—to a delegation of the government elect, in the presence of Cardinal Miguel Obando y Bravo or his delegate and the international organizations involved.

The delegation, representing President-elect Violeta Barrios de Chamorro, hereby expresses satisfaction with the joint meeting held in this city. The delegation promises to convey the RN position to all parties involved and to make special efforts to arrange the authorization for the RN delegation to come to Nicaragua, as this would speed up implementation of the rest of the agreements established at Toncontin.

Contras Set Conditions for Demobilization

PA0904161890 Panama City ACAN in Spanish 1929 GMT 8 Apr 90

[Text] Tegucigalpa, 8 Apr (ACAN-EFE)—The contra staff is hardening its demands for demobilization before Violeta Chamorro replaces Daniel Ortega on 25 April, and is beginning a new political phase in which the rebels are seeking a share of power.

A contra leader has told ACAN-EFE today that "we are unhappy because some leaders close to Mrs. Violeta seem to share the Sandinists' view that we are like an old rag that must be thrown away."

The source said the contras "are not a force that has been defeated. We have 8,000 men inside Nicaragua and

although they do not have ammunition or supplies, they do have combat experience and will not be humiliated or killed."

Honduran political analysts have warned that the rebels' resentment has been increasing as the forthcoming change of government leaves them an outlawed force without power.

Among the fighters with whom ACAN-EFE has spoken at their camp in Yamales, in eastern Honduras, it is common to hear them complain that no one recognizes their efforts to bring democracy to Nicaragua.

"Many of us who have fought against the Sandinists will not be able to live in Nicaragua, but at least our sacrifices of the past 10 years should be recognized," anti-Sandinist spokesman Alejandro Acevedo has said.

Because of the isolation about which its members complain, the Nicaraguan Resistance (RN) is imposing greater conditions on the demobilization of its members in Nicaragua.

For example, in the meeting that the transition commission—composed of delegates of Chamorro and the RN—is holding in Tegucigalpa this weekend [9 April], the contras set as a condition for their total disarmament, the retirement of the high-ranking officers of the Sandinist Army, without specifying the ranks.

Acevedo added that they are also requesting permission to open RN offices in Managua and the main cities in the interior of Nicaragua, as well as the establishment of "adequate" conditions for placing their troops in enclaves protected by foreign observers.

In the meeting of the transition commission, which is being held behind closed doors and will end on 9 April with a news conference, the contras said that one of their objectives is to "make it clear that they are not negotiating surrender, but peace."

However, it is being said unofficially that the possibilities of the RN participating directly in the future Chamorro administration are practically nil.

Nevertheless, the large but unspecified number of weapons and men that the contras have infiltrated into Nicaragua in the past two months permits them to maintain the role of an organization which, without having any chance at victory, still has the capacity to provoke instability and inflict damage.

It is estimated that in Honduras the RN has 5,000 men, as well as 30,000 civilians and 13,039 refugees living in El Paraiso Department, which borders Nicaragua.

Contra Leaders on Demobilization

PA0704182490 Managua Radio Sandino in Spanish 1719 GMT 31 Mar 90

[Interview with contra leader Rigoberto Tirso Moreno Aguilar, and Victor Sanchez, alias "Licenciado," who has accepted amnesty, by unidentified reporter; place and date not given—recorded]

[Text] [Reporter] What do you think of the present Nicaraguan situation?

[Moreno] Everything appears to be normal, but we who have been involved in the armed conflict can see a climate of concern because of the way the demobilization of the Nicaraguan Resistance is being handled. Concerning this RN demobilization, all of the sides concur in that the RN must disarm. So far, however, no plan has been presented to the RN combatants in general so they can grasp what is going on. In addition, neither the Tela nor the Toncontin agreements have been explained to them. Also, the International Support and Verification Commission [CIAV] has not told them of the benefits they would receive upon demobilization. Further, the RN would rather stay where they are unless they are assured of getting something in exchange for their demobilization. I have been talking with commanders in the field. They have told me that everyone talks about demobilization, but that the government has presented no specific plan so that a guerilla, when he hands over his rifle and uniform, can know how he will return to a peaceful, productive life. This is the source of their concern. I believe that both the Sandinist and new government should assure to them that there are full, specific guarantees in this country.

[Reporter] Up to now, the Sandinist government has said that it will hand over the government on 25 April. What do you think would happen if armed RN groups remain in the country?

[Moreno] We know that, according to the Toncontin accord, the forces in Honduran territory will be demobilized in Honduran territory and that those in Nicaraguan territory... [changes thought] Three zones will be delineated: one in the 1st Region; one in the 6th Region; and one in the 5th Region, where troops will arrive and hand over their rifles. We do not know how long they will stay in these areas. We do not know if the contras have their minds already set on this. One other thing we must have clear in our minds—we should not expect everyone to come into these areas. There may be groups who will not agree to disarm and therefore will stay out of the areas. As we have said at other times, it is the new government that must set a deadline so those rebels who fail to show up at the designated areas can be declared outlaws. All of us will have to do our best so this can be fulfilled.

[Reporter] What would be the role of RN members under these circumstances?

[Moreno] We have been working through assemblies in which we have talked with the parties involved, both of the Sandinist National Liberation Front [FSLN] and the affected people, those who have formed our social basis. We have been trying to convey to them a message of pacification and reconciliation. This way, when the combatant surrenders his gun on the mountain, he can

be sure he will meet a favorable climate in which to return to Nicaraguan society.

[Reporter] The CIAV and the United Nations Observers Group in Central America [ONUCA] are being mentioned in connection with this process. Do you, Fernando, "Licenciado," and the others who accepted amnesty, who were RN leaders and returned to Nicaragua, feel that you could be consulted in relation to this situation?

[Moreno] The Tela agreements stipulate that, to achieve a firm, lasting peace in Central America, all of the sides involved in the conflict should participate. For this reason, our presence is necessary. In addition, we have put ourselves at the disposal not only of the CIAV, but of all the international organizations and the new government, to cooperate with the pacification and reconciliation of the Nicaraguan people.

[Reporter] Have you talked with them to any extent?

[Moreno] We met with CIAV members recently. We even went to a sector of the 5th Region, where we rallied the peasants who were the social foundation of the RN. At the time, they agreed with the procedure. At present, however, we have lost contact with them.

[Reporter] "Licenciado," what kind of direct proposal could you make to the CIAV and ONUCA?

[Sanchez] We in Nicaragua have always talked of reconciliation and peace. We were involved in armed activities in Nicaragua. We are willing to help these organizations carry out the demobilization.

[Reporter] Generally speaking, do you think there is a willingness for demobilization?

[Sanchez] We believe that 90 percent of the armed guerrillas are willing to be demobilized and return to a peaceful life in the country.

[Reporter] What do the field commanders in general think about this?

[Sanchez] If we separate the men who have been [words indistinct] because the Nicaraguan people decided everything on 25 February. The only thing missing now is for the government elected by the people on 25 February to make a pronouncement and shut everyone's mouth.

[Reporter] Do you think Franklin [contra commander] could change his mind and express what he has in mind? What would you people tell Franklin if you had to suggest anything to him?

[Sanchez] I think that Franklin must bear in mind that the people have made a decision for peace and that he must respect the people's decision. Any stand against this that he takes will be negative for him and the Nicaraguan people.

[Reporter] It has been said that someone in the U.S. Administration has yet to make up his mind to take the first step to either ask the RN to demobilize or make some kind of offer. A few minutes ago you said that they had created all of these conditions and created and financed the RN. Do you think the United States has abandoned the RN to any extent?

[Sanchez] I think that the Americans created this movement for a purpose and that they achieved the desired objective. They are now trying to shun their responsibility. This gives the RN an argument for their defense because they feel abandoned. As Nicaraguans, they are entitled to demand their rights both from the United States and the Nicaraguan Government-elect. Members of the RN could thus reorganize their lives.

[Reporter] A political directorate existed at a given time and apparently contradicted the RN military sector. Some of them returned to Nicaragua and forgot the entire thing—as if they never had anything to do with it. What is your opinion about that type of relations.... [corrects himself] the politicians' forgetfulness of those who were normally out in the field?

[Sanchez] Look, there is a difference. The man who fights on the mountain has feelings. Those who took to the mountains fought to liberate Nicaragua, or they fought for a cause they believed in. The other groups, meaning the political groups, were not involved in this because they had a cause, and it cost them nothing, and they were not risking anything. They were using the movement as a way of life because it produced money for them.

[Reporter] Does this mean that the commanders and the politicians did not earn the same salary?

[Sanchez] Let us say that the fighter, the man who was a volunteer, who went voluntarily, received no pay. However there certainly were....[changes thought] That is why I tell you we must differentiate between the fighting armed resistance and the mercenary contras.

[Reporter] We have talked about Nicaragua and the outgoing government, meaning the Sandinist Government, and the incoming government, the one led by Mrs. Violeta Barrios de Chamorro. What task would the United States have concerning support?

[Sanchez] I think the United States has a responsibility because it financed the war. Now that the war has ended and, given that the United States always said that it sponsored the achievement of democracy and peace in Nicaragua, it must support in every sense—meaning economically—the people who are still armed.

[Reporter] Referring to the United States, there are reports that some RN military commanders are negotiating their trip to the United States, meaning the are going to live in the United States and abandon the troops. Are you aware of this? Do you agree with this? Is there an explanation for it?

[Sanchez] I think that whoever said those commanders are negotiating is wrong—they are not negotiating, they

have already negotiated. There are people.... [changes thought] We must separate what is called the armed contras. There were two contras, the ones fighting from the Coco River toward Nicaraguan territory and those that we all call the mercenary contras. These people never fought with the intention of returning to Nicaragua. They had already made arrangements to live in the United States. They did not fight to return to Nicaragua; they had made the necessary arrangements a long time ago.

[Reporter] Which commanders are you talking about?

[Sanchez] I think that right now it is not appropriate to point fingers because it is publicly known. All Nicaraguans know that there was a group that never entered Nicaragua and these people who know that they can never return to Nicaragua because they have accounts to settle here.

[Reporter] You were in the United States for some time. How were you treated in the United States? Did it fulfill its moral duty, to which you referred?

[Sanchez] I will speak for myself. You know that there are a series of benefits in the United States but, in my case, I was not even given protection. There is a law that protects animals in the United States. When we arrived, we got off the airplane and it was the street for me—even though a dog is not allowed to stray in the streets. In my specific case, I did not benefit even from the law that protects animals. I was never able to have legal status in the United States. It was very difficult to obtain a work permit. I received no aid, but I was able to honestly support myself and my family.

[Reporter] What, in your opinion, is the counterrevolution's future in general? What would you like it to be?

[Sanchez] What we want, and I believe the others also want it, is to return to our country, exchange their rifles for tools with which to work, and join the country's productive activities. We do not want to be a burden to our society or an obstacle for Nicaragua's peace.

[Reporter] Rigoberto, what were your tasks and positions within the resistance?

[Sanchez] First of all, in 1983, I was commander of a task force. Then, in mid-1984, I was appointed regional commander, and I later became second in command of the Jorge Salazar Operations Commando. In 1988, I was appointed as a member of the General Staff, which I did not accept.

[Reporter] If you could send a message to all the people you led, all the RN members you led, all those with whom you were in the mountains, what would Rigoberto's message be?

[Sanchez] The message would be clear. I think they know it. The only thing I can do is repeat it and tell them that the Nicaraguan people's decision must be respected. The Nicaraguan people adopted a decision on 25 February and they voted for peace. Therefore, we must respect.... [corrects himself] All those who are still carrying their rifles must respect the Nicaraguan people's decision. They voted for peace and buried the war.

[Reporter] Rigoberto, going back to the U.S. issue, you were an RN leader and you explained what kind of treatment you had received. What about the fighters who had no rank?

[Sanchez] Following our expulsion from the United States, hundreds of men—I am now talking about hundreds of men and not one man—began to illegally cross the border into the United States. All they could expect once they crossed the Rio Grande was jail—unless they managed to cross undetected. Most of them were imprisoned once they crossed the Rio Grande—even if they presented proof that they were RN fighters. This was not taken into consideration.

When we realized that a large number of them had been arrested in Brownsville, Texas, we decided to travel there. We tried to help them by filling their migration documents so they could obtain legal status in the United States. Then we got money for their transportation and helped them reach Miami. Once in Miami we helped them get jobs with ranch owners, nurseries, construction projects, etcetera. We tried to help th·m in different places. Most of them are now working in the United States.

We met before leaving Miami and we talked with them. All of them want to return to Nicaragua. We told them that once we arrived in Nicaragua and assessed the situation we would publicly state it. We said that we would publicly state—through the radio, press, and television—whether guarantees were given for their return to peaceful life in Nicaragua. We also said we would denounce it if those conditions were not provided, regardless of the cost.

[Reporter] What is your opinion about the conditions in Nicaragua?

[Sanchez] We see that the conditions are given, that full guarantees are offered, that the democratization process has been launched in the country, and that the war has practically ended. Now we must present projects to help these people so they do not become a burden to the country's society. They must be offered alternatives so they can change from guerrilla fighters to producers.

RN 'Satisfied' With Chamorro Decision on Ortega

PA0904191590 Panama City ACAN in Spanish 1534 GMT 9 Apr 90

[Text] Tegucigalpa, 9 Apr (ACAN-EFE)—The contras living in Tegucigalpa said today they were "satisfied" with Nicaraguan President-elect Violeta Chamorro's decision not to include current Defense Minister General Humberto Ortega in her future government.

"It is good news," Nicaraguan Resistance (RN) spokesman Alejandro Acevedo said.

Gen. Ortega, brother of Nicaraguan President Daniel Ortega and current chief of the Nicaraguan Army, is described by the contras as one of their main "enemies," after nine years of war financed by the United States.

The source stressed that "Mrs Violeta's decision is a good step, but the Sandinist military structure has to continue to be purged so there will be real democracy in Nicaragua."

The contras asked Chamorro to remove "the high-ranking officers of the Sandinist Army" as one of the conditions for their total disarmament and demobilization.

The RN has approximately 8,000 armed men, most of whom are already in Nicaragua after having left their Honduran camps in the last few weeks.

20,000 Contras Want Work Visas for United States

PA0904234090 Panama City ACAN in Spanish 2219 GMT 9 Apr 90

[Text] Tegucigalpa, 9 Apr (ACAN-EFE)—"Contra" political adviser Aristides Sanchez said today that almost 20,000 anti-Sandinists who live in Honduras, including fighters and civilians accompanying them, would like to obtain visas to work in the United States instead of returning to Nicaragua.

"We are interested in talking with U.S. authorities because approximately 20,000 Nicaraguans want to live in that country," Sanchez said in Tegucigalpa."

The "contra" leader said that approximately 100,000 Nicaraguans already live in the United States, most of them in Miami.

The "contras" say that approximately 1,000 fighters are still in Honduran territory, accompanied by 30,000 civilian relatives, and there are another 13,000 Nicaraguan refugees in El Paraiso Department on the Nicaraguan border. The anti-Sandinists will have to decide on their future soon, because the process of demobilization and disarming of the contras must take place before 25 April, when Nicaraguan President-elect Violeta Chamorro takes office. Many Hondurans are urging their government to exert pressure on the Nicaraguan Resistance to get them out of the country quickly.

Commentary on U.S. Democracy's 'Double Standard'

PA0904233190 Managua Radio Sandino in Spanish 1200 GMT 9 Apr 90

[Station commentary]

[Text] Vice Admiral John Poindexter, former chief of U.S. President Ronald Reagan's Security Council, is free and awaiting sentencing for having violated U.S. laws and hiding covert and illegal operations from the U.S. Congress. Poindexter, as guilty as his boss and his subordinate Oliver North, will possibly be sentenced to a lengthy jail sentence, but with the advantage that he will not be in jail for one minute, thanks to the double standard of U.S. justice. As with Reagan, North, and others involved in the contra-gate case, courts in the democratic paradise confirm the responsibility but pardon the criminals. The courts admit a certain action is illegal, but protect those who perpetrated the action.

Last Friday [6 April], President Bush boasted on television that he had scolded Soviet Foreign Minister Edward Shevardnadze because U.S. democracy could not tolerate the Soviet Union using force in Lithuania. By recommending political actions to political problems, Bush is simply reflecting his own cynical and double standard, feeling no shame at all over the violence he himself used against Panama and which for 10 years was used against Nicaragua. Democracy must be in a very grave and serious shape if, in the empire where Nicaraguan local politicians believe democracy was born, it is enforced by those who have such cynical and shameless double standards that the law is only enforced where the needy are concerned.

However, it seems that the double standard is highly fashionable, because some of the directors of the UNO [Nicaraguan Opposition Union] Political Council violate the Constitution by violating the constitutionality of the Armed Forces, although they cry out that they advocate what they call democracy. Radio Catolica and Radio Corporacion priests and journalists also show their double standard by pounding their breasts, praying, and proclaiming their respect for the law by encouraging hatred and unconstitutionality and thus promoting destabilization. Some labor union leaders who favor employers and some UNO militants who are following the same pattern of the double standard toe the line without ever worrying about labor sectors they claim to represent, because their alliances with entrepreneurs prevail. Therefore, within this framework of the double standard, it should not be surprising to hear that the contra leadership wants to disavow the agreement signed in Toncontin. If their bosses and political allies set the example, they will follow it, even if this means endangering peace in the country.

On the other hand, the fact that Cardinal Miguel Obando y Bravo, who signed the Toncontin Agreement, said yesterday that this document refers only to the demobilization of contras in Honduras, caused real surprise among Nicaraguans. Did he misinterpret the text of the document he himself read, which establishes no difference at all between the demobilization of contras stationed in Honduras and those infiltrated into Nicaragua? Who knows?

Panama

Police Conduct Raid in Tocumen Corregimiento

PA0804130390 Panama City EL PANAMA AMERICA in Spanish 7 Apr 90

[Report by Carlos Vargas]

[Text] Panamanian Technical Judicial Police [PTJ] and the Metropolitan Police, without assistance from soldiers of the U.S. Southern Command, yesterday carried out a sixth raid in search of dangerous persons, in Tocumen Corregimiento. As a result of this operation, 44 criminals were arrested out of a total of 152 individuals who were detained and investigated. About 300 PTJ members and 250 Metropolitan policemen went into the Las Mananitas and 24 Diciembre areas, Tocumen Corregimiento, seeking illegal aliens, weapons, escaped convicts, and minors involved in theft cases.

Deputy Government and Justice Minister Ramon Lima told the local press about the results of the police operation. He said that 44 persons had been arrested, which includes seven illegal aliens, one escaped convict, 22 minors, two persons with warrants for their arrest, six drug traffickers, five thieves, and one individual sought by the Panama Municipality. He also noted that four .22 caliber rifles, 217 grams of marijuana, and 13 grams of bazuco [cocaine sulfate] were confiscated. Neither policemen nor civilians were wounded during the raid.

Argentina

Cavallo Terms Talks With Hurd 'Very Positive'

PY0904174090 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1222 GMT 9 Apr 90

[Text] Buenos Aires, 9 Apr (NA)—Foreign Minister Domingo Cavallo said today that in the medium-term it will be possible to include the Malvinas issue on the agenda of negotiations with the United Kingdom. He made these remarks in London after meeting with his British counterpart Mr. Douglas Hurd.

In remarks by telephone from London to Radio Mitre, Cavallo said that a possible meeting between Prime Minister Margaret Thatcher and President Carlos Menem will be discussed as soon as the two ambassadors take up their respective duties.

Cavallo and Hurd met this morning for one hour at the British Foreign Office. Later, Cavallo attended a luncheon hosted by Thatcher for him and the other delegates to the international conference on drugs.

Cavallo, an economist from Cordoba, is the first Argentine foreign minister to visit London since the Malvinas war of 1982.

Commenting on his one-hour meeting with Hurd, Cavallo said: "We discussed several bilateral topics and signed an agreement on mutual elimination of visa requirements that will go into effect in 60 days."

He added: "We also set a date for a round of negotiations on a future reciprocity agreement to guarantee and promote investment as well as to initiate activities by the task group on fishing in the South Atlantic."

After describing the meeting as "very positive," Cavallo said: "We saw a very favorable atmosphere for putting Argentine-British relations back on course based on the ideal of mutual benefits." He added: "Both parties are satisfied with the results of the Madrid talks. The same atmosphere prevails within the private sector."

Regarding the Malvinas sovereignty issue, Cavallo said: "They (the British) know that we want to discuss the issue in the future. I have made this quite clear in my remarks to the press and we believe it will be possible to do this a little later."

Cavallo said that contacts such as those made in the past three days by lawmakers—Senator Eduardo Menem included—and by representatives of the Argentine and British private sector in London "are instrumental in improving relations and in preparing to negotiate the future of the Malvinas."

Asked about a possible meeting between British Prime Minister Thatcher and President Menem, Cavallo said: "Arranging mutual visits requires the coordination of agendas and the mobilization of organizations. This is a job assigned only to accredited ambassadors."

Ambassador-designate to London Mario Campora will take up his duties in May, while his British counterpart Charles Maud will be accredited in April.

Accord Ends Visa Requirments

PY0904141890 Buenos Aires TELAM in Spanish 1033 GMT 9 Apr 90

[Text] London, 9 Apr (TELAM)—This morning Argentine Foreign Minister Domingo Cavallo and his British counterpart Douglas Hurd signed an accord whereby both governments will suspend the visa requirement for Argentine and British travelers.

The two ministers signed the accord during a ceremony in the Foreign Office Hall of Signatures after meeting for almost an hour.

Cavallo was accompanied by Raul Carignano, who is the Foreign Ministry's under secretary for Latin American affairs, Foreign Ministry official Juan Carlos Sanchez Arnaud, Minister-counselor Eduardo Sadous, and Counselor Santos Goni.

After the ceremony, Cavallo went to the Queen Elizabeth II Lecture Center where he attended the opening of the "world ministerial summit for reducing the demand of drugs and for fighting the threat of cocaine."

At noon Cavallo will attend a lunch that British Prime Minister Margaret Thatcher will host for a selected group of the summit's participants.

In the afternoon, Cavallo will host a press conference at the residence of the Argentine ambassador and at 2200 he will leave for Dublin, Ireland, where tomorrow, he will meet with his peers of the Group of Rio de Janeiro.

Non-Government Personalities Meet in London

PY0904175690 Buenos Aires TELAM in Spanish 0940 GMT 9 Apr 90

[Text] London, 9 Apr (TELAM)—The first Argentine-British Non- governmental Conference was held this past weekend in Streatley on Thames, some 30 kilometers from the British capital. The delegates expressed satisfaction with the agreements signed in Madrid by the governments of the two countries, and it decided to convene again in April 1991 in Argentina.

At the end of the conference, which was attended by 30 delegates from the two countries—including representatives of the church, the communication media, politicians, academicians, and businessmen—a joint declaration was released, expressing the wish to contribute "to a better understanding of the problems still pending between the two nations."

The joint declaration noted that "the conference has brought together non-government personalities and has made an exchange of ideas and viewpoints in an

informal atmosphere possible, seeking to improve understanding between the peoples of Argentina and the United Kingdom."

Senators Eduardo Menem (chairman of the Foreign Relations Committee in the Senate), Adolfo Gass, Juan Antonio Aguirre Lanari, and Julio Amoedo, Argentine International Relations Council (CARI) president Carlos Muniz, Radical Civic Union leader Juan Manuel Casella, and Carlos Conrado Helbling were among those who represented Argentina in this non-governmental conference.

Great Britain was represented by Cyril Townsend and Ray Whitney from the Conservative Party, John Gilbert and Ewart Bigg from the Labor Party, Michael Charlton from the British Broadcasting Corporation, and Desmond Watkins from Shell International.

The Argentine representatives last night attended the reception given by Foreign Minister Domingo Cavallo in the residence of the Argentine ambassador to Great Britain. Argentine representative to UNESCO Jorge Asis and Latin American Affairs Under Secretary at the Foreign Ministry Raul Carignano were also present at this reception.

Menem, Bolivia's Paz Zamora on Debt Negotiations

PY0904181290 Buenos Aires DYN in Spanish 1322 GMT 8 Apr 90

[Text] Buenos Aires, 8 Apr (DYN)—President Carlos Menem has said that he is certain that "our accounts" with "the IMF, the World Bank, and the Paris Club" should be renegotiated, and that "some of their requirements must be met because otherwise there will be no fresh funds."

He said that creditors "want to collect their money" but "debtors cannot pay," for which reason "there must be some sort of negotiation to rearrange our accounts."

To prove this he said that "Cuba owes us $800 million" and "we will try to collect that money. They have a pharmaceutical sector, and we will see if we can get our money back, at least in medicines and drugs. At the same time, we can provide them with food. We are doing this with Cuba and with Bolivia, and we intend to do it with the IMF, the World Bank, and the Paris Club."

Menem made these remarks in La Rioja, where he talked with Bolivian President Jaime Paz Zamora. The Bolivian president said that "the accords that the debtors are reaching among themselves are showing creditors what to do."

Paz Zamora continued: "We view our indebtedness from a fraternal, impartial viewpoint. This gives us a better position for our talks with the Paris Club, where negotiating terms are demanding."

Both Menem and Paz Zamora agreed that "big, inefficient states" were built in their countries, and that there has been "fear of change." They added that "it is a mistake to obstinately adhere to the same policies after a 40-year period, because those policies are no longer useful."

In statements published today by the morning newspaper PAGINA 12, Menem said that "many times we have to adopt unpopular measures, but we have to adopt them because otherwise we may remain totally isolated."

Menem Appoints Justice, Comments on Falklands

PY0904225690 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2135 GMT 9 Apr 90

[Excerpts] Buenos Aires, 9 Apr (NA)—Argentine President Carlos Menem today appointed jurist Julio Ohyanarte to serve as a Supreme Court justice and announced that he will appoint the others "today or tomorrow." Menem reiterated that the former commanders in chief of the Armed Forces branches and Montonero leader Mario Firmenich "will probably be pardoned this year or early next year." [passage omitted]

On today's meeting between Argentine Foreign Minister Domingo Cavallo and British Prime Minister Margaret Thatcher, President Menem stated that the sovereignty issue "is protected by the so-called 'umbrella,' which means that Great Britain has acknowledged that sooner or later it will have to discuss sovereignty" with Argentina. He added that "if Great Britain has accepted this, it means that they are prepared to talk about the issue."

On the conflict between the branches of state in Tucuman Province, Menem said that "the Justicialist Party, the Republican Force, the Radical Civic Union, and the other political parties have agreed that any intervention in the province must be avoided."

He stated: "We will not resort to any measure that would make it impossible for the people of Tucuman Province to resolve this problem, which they have created for themselves." [passage omitted]

Effects of Economic Program Continue To Be Felt

Weekly Inflation Rates To Be Published

PY0904224090 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2113 GMT 9 Mar 90

[Text] Buenos Aires, 9 Apr (NA)—Planning Secretary Moises Ikonicoff announced this afternoon that, beginning with the last week of this month, the government will be releasing weekly updates on price increases in order to more expeditiously report sudden fluctuations in inflation.

Ikonicoff added that these updates will not replace the usual monthly reports of the National Institute of Statistics and Census [INDEC] and made it clear that the two reports may not coincide because the weekly updates will be based on fewer inputs.

Fuel Prices Hiked 25 Percent

PY1004003090 Buenos Aires TELAM in Spanish 2303 GMT 9 Apr 90

[Text] Buenos Aires, 9 Apr (TELAM)—Public Works and Services Minister Jose Roberto Dromi signed a resolution tonight that will increase fuel prices by 25 percent as of midnight. This resolution, which Minister Dromi signed in his capacity as acting economy minister, will be made public shortly.

Bolivia

Cocaine, Tin Bartering Ring Discovered

PY0904184090 Madrid EFE in Spanish 0305 GMT 9 Apr 90

[Text] La Paz, 8 Apr (EFE)—Mining Deputy Minister Lesin Mendez reported today that the Bolivian authorities have discovered that Brazilian alluvial tin is being bartered for Bolivian cocaine in the northern and northeastern sectors of the country.

Mendez added that this was discovered during an investigation to determine the origin of the alluvial tin (Brazilian cassiterite) that is being brought to the Vinto smelting plant, in Oruro, Bolivia.

Mendez said that the Bolivian authorities expressed their surprise because the state-owned smelting plant was processing such a large quantity of the mineral despite the fact that tin production in Bolivian mines has decreased.

He added that a network of "rescuers," who bartered the alluvial tin for cocaine with Brazilian traders, is operating on the Brazilian border.

Mendez said that the smugglers then sold the mineral to the smelting plant as if they it were purchased from Bolivian mining centers. He did not specify the amount of alluvial tin that is being bartered at Vinto.

He stressed the Bolivian Government's concern that "drug trafficking may attempt to replace productive activities."

Brazil

Congress Approves Provisional Measure 151

PY0904160290 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 9 Apr 90

[Text] Congress has approved the government-proposed dismantling of state enterprises, autonomous agencies, and foundations. The session approving Provisional Measure 151 lasted more than 12 hours.

This approval converts the provisional measure into law. The law also decrees the dismantling of the Sudesul [Superintendency of the Southern Region], the IAA [Sugar and Alcohol Institute], and the IBC [Brazilian Coffee Institute]. The Sudepe [Superintendency for Development of the Fishing Industry] will be incorporated into the Central-West Region Development Bank, which was created by the Constitution. The DNOS [National Department of Reclamation Projects] will become part of the National Secretariat of Reclamation in the Social Action Ministry.

The Pro-leitura and Educar foundations and the Coffee Museum will be closed. The Pro-memory, Palmares, and (?IFA) foundations will be merged to form the Brazilian Cultural Heritage Institute. The Funarte [National Art Foundation] and the Brazilian Movies Foundation will be incorporated into the Brazilian Art and Culture Institute.

The Embrafilme [Brazilian Film Company] will be privatized within 12 months, and a National Library has been created.

Still, under the same conversion law, the government can close or privatize the Portobras [Brazilian Ports Enterprise], the EBTU [Brazilian Urban Transportation Company], the Interbras [Petrobras International Trade, Inc.], the Petromisa [Petrobras Mining Corporation], the Siderbras [Brazilian Iron and Steel, Inc.], the INFAZ (Brazilian Public Finances Structure Company), and the (?CAEB) (Brazilian Company of Electricity Enterprises).

The Cobrapi (Brazilian Industrial Projects Company) will be privatized while the Embrater [Brazilian Rural Extension and Technical Assistance Enterprise] and the BNCC [National Cooperative Credit Bank] will be dismantled.

The (?CSD), the Cobal [Brazilian Food Company], and the Cibrazem [Brazilian Warehousing Company] will be combined into the National Supplies Company. The Cebrae (Center for the Support of Small and Medium-Sized Companies) will be privatized.

Two foundations—one for health and another for social security—will be created.

Congress rejected the proposal made by the commission that reviewed the provisional measure, to relocate the public servants of the enterprises that have been closed. The public servants who have gained stability in their jobs will remain in reassignment status for four years, during which they will be given priority for reappointments in public service.

Measures 148, 164, 162 Also Pass

PY1004033290

[Editorial Report] Sao Paulo FOLHA DE SAO PAULO on 7 April publishes on page A-8 the text of Provisional Measure 148, which has been approved by Congress without amendments and converted into Law 8011, dated April 6, 1990 and signed by President Fernando Collor and Justice Minister Bernardo Cabral; the text of

Provisional Measure 164, which has also been approved by Congress without amendments and converted into Law 8012, dated April 5, 1990 and signed by President Fernando Collor and Economy Minister Zelia Cardoso de Mello; and the text of Provisional Measure 162, which is listed as being approved by Congress without amendments but which has not yet been signed or assigned a legal number.

Colombia

Violence Escalates as 517 Die Over Past 10 Days

PA1004041490 Paris AFP in Spanish 03323 GMT 10 Apr 90

[Text] Bogota, 9 Apr (AFP)—The Directorate of Judicial Police and Investigations (Dijin) revealed today that 517 people have lost their lives in acts of violence in Colombia over the past 10 days.

The police report, signed by Dijin Director Colonel Oscar Pelaez, says that most of the victims were gunned down.

The officer states that the area of Medellin, capital of Antioquia Department, 500 km northwest of Bogota, was the most affected, with 177 homicides, almost all by gunmen in the service of drug traffickers.

Pelaez said that in the same period, 23 people were kidnapped throughout the country, both by subversives and common criminals.

This number includes 10 policemen, who were abducted by guerrillas after an attack on 7 April on the towns of Sibundoy and San Francisco, in the jungle area of Putumayo, in the southern part of the country on the Ecuadoran border. In that incursion, four soldiers and over a dozen rebels were killed.

Six Guerillas Die in Clashes

PA0904150890 Madrid EFE in Spanish 2300 GMT 8 Apr 90

[Text] Bogota, 8 Apr (EFE)—Military authorities report that four Popular Liberation Army (EPL) guerrillas, one Army of National Liberation (ELN) guerrilla, and one Revolutionary Armed Forces of Colombia (FARC) guerrilla died in combat today.

Eleventh Army Brigade sources said that Junin Battalion troops clashed with an ELN column in a rural area in Valencia, in Cordoba Department, 350 km to the northeast of Bogota.

Four guerrillas, including a woman, were killed in the fight and troops recovered arms and quatermaster's supplies, the sources added.

At the same time, near Santa Marta's Sierra Nevada, in the northern part of Colombia, La Popa Battalion troops fought with rebels belonging to a FARC front, killing one of the guerrillas.

The Defense Ministry in Bogota reported that the Army killed an ELN guerrilla in Arauca, in eastern Colombia.

The death of the six guerrillas must be added to the 13 casualties inflicted on 7 April on a mixed FARC and EPL column, which had occupied San Francisco and Sibundoy, 700 km south of Bogota, in Putumayo, where five policemen and a police captain were also killed.

Candidate Gomez Suggests Legalizing Drug Trade

PA1004030890 Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 9 Apr 90

[Text] A news conference with Alvaro Gomez Hurtado, presidential candidate for the National Salvation Movement, ended minutes ago. During his meeting with reporters, Gomez commented on drug trafficking and extradition. Jesus Garzon filed this report:

[Begin recording] [Garzon] Alvaro Gomez Hurtado today proposed the legalization of the drug trafficking business. Gomez criticized the Barco administration's international antidrug efforts. He said that the antidrug summit of Cartagena, which was held on 15 February, sent an image to the world of a defeated Colombia.

[Gomez] The Cartagena conference was a defensive move, because it was actually held to avert a blockade.

[Garzon] Candidate Gomez did not define himself as either a friend or an enemy of extradition. He suggested the possibility of opening dialogue with the drug traffickers and stressed the urgency of proposing a meeting with drug consuming countries. Gomez added that President Barco should have proposed the legalization of drug trafficking [at the opening of the antidrug summit] today in London.

[Gomez] It is a way to end price differences; not to end the drug vice, but price differences, which is what concerns Colombians. Legalization should come about with worldwide consensus. We cannot achieve worldwide consensus by declaring drugs legal in Colombia. No, we cannot do that, but we can adopt a position by saying: Gentlemen, all of humanity, let us end this business. [end recording]

* Gaviria's Popularity Made Evident in Primary

* Candidate's Background

90SM0007A Bogota SEMANA in Spanish 13 Mar 90 pp 24-30

[Text]

The Chosen One

On more than a few occasions in Colombian history an aging former chief executive has selected his party's presidential candidate. But this was the first time that a boy of just 17 performed this task. Standing before the grave of his father, who had been assassinated just 36 hours before, Juan Manuel Galan shocked the millions of Colombians who were listening to the radio that Sunday 20 August when he said: "On behalf of the people and on behalf of my family, I want to ask something of Dr Cesar Gaviria, into whose hands we commend the banners of my father and who has our support to become the president that Colombia has wanted and needed: Save Colombia!"

The idea that the Virgin had appeared to Cesar Gaviria was left floating in the air in the midst of this dramatic moment. Until then this 42-year-old native of Pereira had been just a prestigious former minister, which counts for little in Colombia at the polls, since the presidency of the Republic is traditionally reserved for national leaders, not for good ministers. Moreover, Gaviria was pitted against two individuals who had a big edge over him: Hernando Duran Dussan, one of the most experienced warriors from the traditional political class, which saw him as a winner, and Ernesto Samper, the big political phenomenon of the 1980's, who in spite of his youth had become what in Colombia is called a natural leader with a strong position in the single file.

The initial predictions were that these two men, one representing experience and the other new blood, would divide up the millions of followers of Luis Carlos Galan who had been left orphans on 18 August 1989. Gaviria's role was not so much to become president as to uphold Galan's banners and prevent the disintegration of a local-boss movement whose days were numbered when it was left leaderless.

When the first few polls showed Gaviria with popularity ratings comparable to and even higher than Galan's before he was killed, many thought that it was the result of necessarily temporary emotions triggered by the assassination. Last Sunday's results showed that the trend held steady during the 7 ensuing months, placing Cesar Gaviria on the threshold of Narino Palace. The big question that everyone is asking himself today is: How did he do it?

The first explanation could be that the Virgin actually did appear to Gaviria. Not only because he became the heir of the Galan movement but also because he is the protege of a president who had appointed him to two of the country's most important posts before he turned 40: finance minister and interior minister.

He often won praise from the president, and during this time there were three crises in which he excelled on his own in a country that had grown accustomed to a dull president. Barco's illness in Korea, the kidnaping of Alvaro Gomez Hurtado, and the national work stoppage would probably have been handled similarly by any minister delegate, but the fact is that Gaviria got the call, and the television opportunities that they provided him were his launching pad.

Gaviria the Bold

But if the launching of his bid for the nomination can be attributed to the Virgin, last week's triumph can be credited only to Cesar Gaviria.

Even though at times his excessive youth and spontaneous smile give the impression that he is more a young professional than a statesman, the truth is that the personality of the man who is today the Liberal Party's official candidate for president is much more complex and sophisticated.

As cold and calculating as an iceberg, Gaviria never takes a false step. He is dry, distant, and enigmatic. Although he is just 2 months away from possibly becoming the next resident of Narino Palace, no one really knows him. He listens a great deal and says little; above all, though, he never says stupid things. What has most struck the few who have managed to draw close to him is the unusual combination of being extraordinarily sure of himself and always being open to consider other opinions.

Nonetheless, although he is cautious in speaking, he is bold like few others in political action. His rise has been marked by three bold strokes. The first came in late 1985, as alternate director of the Liberal Party, when after the takeover of the Hall of Justice he decided to challenge the administration of Belisario Betancur head-on during the debate on the president's political responsibility in handling this episode. The second, which was certainly less dramatic but no less significant politically, was his decision not to seek the presidential nomination after he stepped down as interior minister. Former President Alfonso Lopez Michelsen himself hinted in an interview with EL TIEMPO that he was surprised that the former minister was not one of the hopefuls. In a country in which everyone regards himself as presidential timber, it took a cool head to realize that it was time to lie low. The third episode, which was questionably the most important and, at the time, the riskiest, was to have staked everything on Luis Carlos Galan by agreeing to become his campaign debate chief. Cesar Gaviria could have become anything he wanted to at that point. As a former minister with enormous prestige, both Samper and Duran were looking for him. The post of presidential designate itself was within his grasp, with the backing of the Comptrollership group, among others. In spite of his immense personal prestige, Galan was pitted against a machine so powerful and vengeful that he had already practically lost. And if there was any single reason why he was losing, it was that the Liberal political class was split in two. The majority were obsessed with stopping him in order to make him pay for his past, while the others, although they sympathized with him, did not believe that he had a chance to win. Although Cesar Gaviria's support did not change the attitude of the

former, it did change that of the latter, who following the former minister's example succeeded in setting up a machine that produced around a million votes for him, thus making his candidacy viable. Now, when everyone is saying that Gaviria could not have become president without Galan's legacy, and he himself has always been the first to acknowledge as much, few remember that Galan very probably would not have been able to become president without Gaviria's backing.

A Rightist

His handling of the tax reform during the 1986 legislative session was further evidence of his political boldness. Going along with the trend in the world at that time, and taking after Reagan, then Finance Minister Gaviria submitted a rightist tax reform. Drawing its inspiration more from Gomez Hurtado than Gaitan, the administration was betting that by giving relief to the wealthy, it would be making the pie bigger so that everyone would have more of it. It was highly unlikely that a Congress with a Liberal majority that is used to paying homage to anything that smacks of populism and the center-left would swallow it whole. Displaying a highly developed gift for pleasing both sides, Gaviria secured its passage. Two things became clear that day: Cesar Gaviria, in spite of his youth, was a veteran in matters of political machinery and patronage, and he was willing to place his talents in service to a center-right ideology.

Gaviria is a rightist in more than economic policy, however. He also is on matters of law and order, as his moves as interior minister showed. Faced with the choice of a firm hand and an extended hand, Gaviria almost always opted for the former. Should he become president, it will be an interesting experiment to see a man of 43 applying the formula of democracy with the energy of a Duran Dussan and pursuing the economic development policy of a Gomez Hurtado. The rich and the poor, who for different reasons sense everything, realize what is going on. The former have financed him with uncommon generosity, and the latter, if predictions hold, are going to give him the biggest electoral majority in Colombia's history this coming 27 May.

[Box, pp 26-27] Gaviria's Inner Circle

Like every victorious candidate, Cesar Gaviria has his team. What is special about his, however, is the people on it, who have known him for a relatively short time. Although the Liberal candidate has a long track record as a public figure, practically none of his past colleagues is among his circle of advisers. What could be called Cesar Gaviria's inner circle consists of five men and one woman, or if you wish, two veterans and four "new faces." SEMANA profiles them briefly:

Luis Fernando Jaramillo

He is the father figure in a group in which almost no one is past 40. Gaviria, who never wanted a debate chief, appointed him political coordinator late last year. The two had been colleagues during the campaign and in Barco's cabinet and were united by their pragmatic approach to politics. Gaviria wanted a person of standing not only vis-a-vis the unions but the political class as well and found Jaramillo to be a respectable figure for this purpose. Born in Barranquilla 54 years ago, Jaramillo was an excellent minister of public works, and his name was mentioned as a potential presidential designate and even a presidential hopeful from the coast. His future in government: a strong candidate for ambassador to Washington, where his background as a senior official in the Inter-American Development Bank will make him feel right at home.

Luis Prieto Ocampo

This grand gentleman from Old Caldas wound up unintentionally managing the first candidate from that region. Appointed to the post by Galan himself, he was inherited by Gaviria, and the results could not have been better. During times like these, when the source of campaign financing is always a subject for discussion, there is no chance of having points scored on you with Luis Prieto Ocampo in there, as he is even more careful about what goes out than what comes in. His conscientious and efficient management enables everyone else in the campaign to sleep peacefully when it comes to finances. The future role in government for this 62-year-old chemical engineer is a question mark, since his devotion to public service is stronger than his personal ambitions.

Maria Emma Mejia

A legacy from the Galan campaign, she did not take long to convince Gaviria of her extraordinary talents as an executive. Appointed secretary general of the campaign, this 36-year-old filmmaker from the northwest quickly became the key figure in the logistics and the day-to-day running of the campaign. Her efficiency in this post has stunned everyone. She is a tireless worker, and her activities include handling hangers-on, forums, banquets, and travel arrangements. She even has time left over to raise money for the campaign. Intelligent and attractive, she is the candidate's major public-relation's person, especially when it comes time to politely say no. Her future: secretary general of the presidency or minister of communications.

Miguel Silva

Many of those who do not know him but have seen him think that he is an American adviser to the campaign. A combination of Clark Kent and Robert Redford, this 28-year-old native of Bogota, an attorney and a linguist, met Gaviria when he interviewed him for the newspaper LA PRENSA in 1988. The then interior minister liked the feature article so much that they became good friends, and 2 years later he enticed him away from the Pastranas by offering him the post of campaign image chief. As such he has been responsible for dealing with

the media, which many feel has been one of the campaign's major successes. More than this, though, he has become a trusted colleague in the Gaviria circle and his number one utility man. If Gaviria wins, the prediction is that he will have a post in the palace, close to the president at all times.

Rudolph Hommes

The economist among Gaviria's men, for several months he has been in charge of drafting the economic plan of a Gaviria administration. A member of the Rodrigo Botero school, he has a long track record as an analyst and scholar of Colombia's finances and economy. He has been an adviser to the Monetary Board, an economic consultant, and editor of the magazine ESTRATEGIA ECONOMICA. Straightforward, affable, and uncomplicated, he shies away from any sort of limelight. This 46-year-old PhD from MIT will surely play a key role on the economic team. Prediction: Though he is not an ambitious man, those who know him say that the perfect position for him would be manager of the Bank of the Republic, but neither he nor anyone else in the country wants to remove Pacho Ortega. Therefore, the betting is that he will be planning chief.

Mauricio Vargas Linares

Newsmen always play an important role in presidential campaigns, and each candidate has his favorite journalist. That is how the relationship began between Cesar Gaviria and Mauricio Vargas Linares, the editor in chief of SEMANA. Over time, the trusted journalist became the trusted associate. It would not be an exaggeration to say that today Vargas is one of the three persons closest to the official candidate of the Liberal Party for president of the Republic.

Just 7 years ago he was a staff writer for the newspaper EL HERALDO in his hometown of Barranquilla, when he decided to leave the provinces and come to try his luck in Bogota.

Even though he was just 23 at the time and had never signed his name to an article, he soon became one of the most respected journalists in the country. The political bug had never bitten him until Cesar Gaviria, as Galan's debate chief, offered him the job of press chief in the Galan campaign. Galan was slain the day that he accepted. The post was abolished, but his friendship with Gaviria grew stronger, and those who know him say that there will be a break in his journalistic career and that his name will be heard a great deal over the next 4 years.

[Box, p 29] What Gaviria Believes In

The following are some of the ideas put forth by Cesar Gaviria Trujillo during his campaign in reply to questions about the country's main problems:

- The constitution says that the party that wins the election must offer to cooperate in an appropriate and equitable manner with the party that comes in second...I am in favor of securing the cooperation of Colombia's finest minds in discharging public and political functions, but without sacrificing oversight and criticism.
- There can be no dealings with the drug traffickers, because their crime is not political. Governmental decisions in this regard must be unilateral. If they abandon terrorism, some transitory measures can be lifted. If an effective justice system is developed, we can submit extradition for the consideration of Congress and the citizenry.
- I think that the possibility of a political solution with the guerrilla groups ought to be preserved, but without compromising on terrorism. By offering to talk with them society is already making a concession to the rebels. I am not in favor of allowing the guerrillas to play an unnecessary leading role or of negotiating political reforms with them.
- I am in favor of an accord among the parties in seeking an arrangement outside the constitution to reform it. The best idea would be to call a plebiscite that would enable a Constitutional Assembly to meet.
- The most important points that a constitutional reform ought to address are: 1. Reform of the justice system; 2. Reform of Congress; 3. Amendment of Article 218; 4. Reform of the state of siege; 5. Stipulation of the rights and duties of citizens; 6. Drafting a statute of the parties and the rights of the opposition.
- The justice system must be revamped not only to deal with criminal organizations but also so that it is prompt, timely, and democratic.
- The parties are essential in promoting political change. We do not have ideological organizations that possess the characteristics needed to tackle the crisis besetting Colombia.
- As for foreign policy, closeness to or distance from the United States is a means, not an end. Our closeness to the Third World must not lead us into unnecessary confrontations with the United States or other industrialized countries.
- Rescheduling the foreign debt is a problem, not a solution. The experience of other nations in our area shows it to be altogether negative and unproductive.
- Our country's economy will remain dynamic and post high growth rates to the extent that it joins the world economy and enters the markets that offer us possibilities.... The economy must open up gradually and move towards higher exports.
- Economic policy cannot stifle the entrepreneurial spirit of Colombians. A privatization process is called for in the industrial and financial sectors. More effective forms of government intervention must also be promoted, however.
- The process of decentralization will be complete only when the communities themselves are the ones that decide with what taxes they are going to finance their development.
- I believe in freedom of the press and in the responsibility of the mass media. Nevertheless, I do not find it

difficult to involve the mass media in a truly comprehensive policy against violence.

- Our society must make the decision to tackle the problem of the guerrillas by pursuing a realistic policy against violence-mongers. We demand efficiency from the Armed Forces but we do not make common cause with them. The civilian population must cooperate more with the Armed Forces in areas of guerrilla conflict.
- What we have done by carrying on the banners of Luis Carlos Galan is to turn the crisis of our democracy into a real opportunity for the young people who have faith, who are optimistic, and who look at life in Colombia with their thoughts on building new political institutions.

[Box, p 30] Ana Milena de Gaviria: Good-by to Blue Jeans

Thirty-four may really seem quite young for someone who has a good chance to become the nation's first lady. But this does not frighten Ana Milena Munoz de Gaviria. A native of Pereira, she was born on 27 January 1956 and educated by the Sacred Heart Nuns ("The Jesus and Mary ones," she clarifies) in the capital of Risaralda, where she was always number one in her class, before coming to Bogota to study economics at the Universidad de los Andes. In spite of the times, she never flirted with the left there. On the contrary, "I've always been rather to the right," she admits with a smile.

"I thought he was a splendid gentleman," she says, recalling her first dates with Cesar Gaviria, who was already a congressman and one of the most promising political figures from Old Caldas, while she was still wearing blue jeans in the third year of her major. But Cupid's arrow soon struck, and after dating for just a year they decided to get married in June 1978, the ceremony being performed by the bishop of Pereira, Monsignor Dario Castrillon. "They named Gaviria (as she usually calls him) deputy minister of development, and we had to come to Bogota." Without saying who her husband was, she went to National Planning to ask for a job, carrying her brief resume, with her grades at Los Andes, under her arm. She was given a post in the Agrarian Planning Unit of the National Planning Department, where she worked until 1981, when she quit to take care of her newborn son Simon. "Both he and Maria Paz (1983) were born in Pereira, because Cesar wanted it that way," she adds.

Milena did not want to lose touch with her hometown either and thus lent a hand to the Foundation for the Development of Pereira, which raises private money for projects such as the Supply Center, with which she has been closely involved and which will be inaugurated soon: "This experience taught me that without setting up any more public agencies or expanding the bureaucracy, we can work with private funds on this type of project."

Raising money remains her job in this campaign, in which she has repeatedly demonstrated her effectiveness. A few weeks ago she broke all records with an art auction that replenished the campaign's coffers. Those who worked with her in Planning and the Foundation and are now her colleagues in the campaign say that she is unusually intelligent, has a high level of expertise, is determined, has drive, and possesses overwhelming common sense. Stubborn and, at times, impatient, she is always organizing projects and events, because she never allows herself the luxury of not doing anything. She is much better prepared for a technical post or for business and at times has trouble with her duties as a housewife. "I'm the one who scolds the children, because Cesar covers for them on a lot of things," she says with resignation.

And has she given up economics? She does not think so. "Even if I'm not directly involved with it, my profession has helped me in everything that I'm doing. A person studies a major above all to develop certain criteria that will be useful in life, not just to get a job."

A music lover, she can liven up a party as a disk-jockey until dawn, with a repertory ranging from Tracy Chapman to boleros, tangos, and a well-chosen "carrilera" or two. Over the next 4 years she may not have much time for such sessions, or for many other things that have always been part of Ana Milena de Gaviria's private life, which perhaps changed for good overnight a few months ago. The blue jeans and flats have been left behind, giving way slowly but surely to a custom-made wardrobe and high-heels.

* Gaviria on Primary

90SM0007B Bogota SEMANA in Spanish
13 Mar 90 pp 32-33

[Interview with Liberal Party presidential candidate Cesar Gaviria Trujillo by unidentified correspondent; place, date not given; first paragraph is introduction]

[Text] A few hours after the results of the primary were in, Cesar Gaviria, who is now the Liberal Party's candidate, granted SEMANA an interview, the highlights of which are reproduced below.

[SEMANA] Dr Gaviria, what's next after this victory?

[Gaviria] The first thing is to bring together the entire Liberal Party. To do this we of course have the accord that we signed last week with Drs Duran and Samper. The spirit of the primary was precisely that the Liberal voters would choose the candidate. This has been accomplished. So I see the convention more as a vehicle for uniting the party, for allowing all those who have a political representation to voice their opinions on the direction of the campaign and of the government.

[SEMANA] You speak of bringing the party together. How are you going to do it, above all if we bear in mind that the convention may unite it as a nationwide organization but that at the regional level a great many rifts, a great many splits remain?

[Gaviria] No matter how much the other hopefuls say they want to be behind me as the winner of the primary, each regional organization is certainly going to want to make its own decision, is going to express its own opinion, and is going to interpret the result. Each organization is going to want to set a limit on its support, to give advice, guidance, or suggestions to the candidate. All of this is going to happen between now and the convention and at the convention itself, and it's going to allow us to bring together many elements and to begin integrating the executive personnel of the various campaigns. Each campaign has worked on the various issues of interest to the country, and many people have done so in earnest. This is the work and these are the people that must be integrated.

[SEMANA] And what role are the other former hopefuls going to play in the campaign?

[Gaviria] That will be spelled out from now until the convention. But they are undoubtedly destined to play a very important role, inasmuch as a large percentage of the Liberal electorate voted for them. Their involvement is fundamental so that we do not just have a mechanical unity process, but rather positions that unite and spur the Liberal campaign and administration. The positions that are going to prevail in the campaign are not going to be just the ones that I put before the voters. The views of the others who sought the nomination will be heard. This is what true Liberal unity consists of.

[SEMANA] Now that this experiment of a single primary is over, what is your assessment of it?

[Gaviria] The single primary, the dream and accomplishment of Luis Carlos Galan, is the most enriching development that Colombian democracy has had since the election of mayors. The fact that its main political group has adopted a democratic procedure for choosing its presidential candidate is something that deepens our democracy and has enabled it to gain ground. And this, enabling democracy to gain ground, is our main weapon in the battle against violence.

[SEMANA] Do you feel that this procedure cannot be set aside, that the Liberal Party can no longer do without the primary system?

[Gaviria] In my judgment, this is absolutely irreversible. Any backtracking in this area would be backtracking in Colombian democracy. What Galan fought a decade for cannot be used in just one electoral contest. It has to continue in the future, and I'm convinced that it will.

[SEMANA] The party supposedly approved a government program at the Ideological Congress. You, who are now the single candidate, criticized it harshly in seeking the nomination. On what program are you going to run your campaign, then, and with what program are you going to govern if you win the presidential election?

[Gaviria] Let me begin by saying that that document is not the party's official program, because the convention has to approve it. Now then, I didn't criticize all of it. It has many salvageable elements, to which I hope to add certain elements that will enable us, first of all, to set priorities and to say exactly on what issues of national life we're going to place the most emphasis. The lack of priorities in the document from the Ideological Congress concerns me. We will have to say what we're going to do about the justice system, what we're going to do on the issue of peace, what we're going to do in economic policy, what our goals are going to be in social spending. Moreover, we have to look into the opening that the administration is carrying out and see how far we want to go and in what way.

[SEMANA] In last week's interview with EL TIEMPO you spoke of President Barco's lack of leadership, in what many interpreted as putting distance between you and his administration. How is the single candidate going to handle this relationship, this distance vis-a-vis the administration?

[Gaviria] What I gave was a balanced opinion of the virtues, character, and temperament of the president. And this opinion is shared not just, I would say, by his unjustified enemies but even by many of the people who are close to him, in the sense that in certain situations and at certain junctures he has failed somewhat to communicate and even to take the initiative in seeking answers, in a country that likes to hear the voice of its president.

[SEMANA] Speaking of Barco, he established the government-opposition model. Are you going to continue it?

[Gaviria] In the first place there is the constitutional provision that obliges the president to offer the number two vote-getting party a chance to participate. The constitution describes such participation as "appropriate and equitable," an expression that will have to be interpreted in light of the election returns, inasmuch as the constitution does not clarify further. Second, we will have to wait and see what approach the number two vote-getter adopts, since we don't know whether it will be united or divided, and what approach the other parties adopt. In any event, I don't expect that the participation of the number two vote-getting party will mean total silence about or commitment to the government program. I think that a number two party that remains silent and thus cannot be a political alternative is just as harmful as a cliquish, domineering administration. I certainly do believe that it is very important to seek accords on certain issues like the battle against drug trafficking and foreign policy, or constitutional matters. As for the rest, I don't want anyone to renounce oversight and criticism.

[SEMANA] Speaking of constitutional matters, the information available so far indicates that a large number of voters included in their envelope the seventh ballot calling for a Constitutional Assembly. Are you going to follow up on this political event?

[Gaviria] It is extremely important to create a climate of opinion, expressed this time at the polls, that enables us to take the path of an extraconstitutional agreement to reform our fundamental law. I'm convinced that an extraconstitutional mechanism needs to be found, but I also think that it cannot be an exclusive decision by the president of the Republic; rather, it must be the result of a climate that serves as a, shall we say, legal and political basis for reforming the constitution.

* Extradition Discussed

90SM0007C Bogota EL TIEMPO in Spanish
4 Mar 90 pp 1A, 6A

[Interview with Liberal Party presidential candidate Cesar Gaviria Trujillo by correspondents Sergio Ocampo and Edulfo Pena; place, date not given; first three paragraphs are introduction]

[Text] It bothers him to be compared to President Barco or when people say that a Gaviria administration will be a continuation of the current one. Nevertheless, he defends and backs the record of the present administration in some respects.

He criticizes the president. He says that he does not show leadership and that he delayed making decisions on economic policy. At the same time, however, he acknowledges that many of the vital aspects of a potential Gaviria administration would be handled as they are now.

This young man from Pereira, with his almost boyish voice, is of the same generation as Ernesto Samper Pizano. In ideology and party philosophy, however, he is much closer to Hernando Duran Dussan.

[EL TIEMPO] How do you plan to keep your word to the M-19 over the next 4 years?

[Gaviria] We will have to find some way for them to get into Congress. The arrangement has yet to be agreed on.

[EL TIEMPO] And how would you deal with the groups that are more distant, like the FARC [Revolutionary Armed Forces of Colombia]?

[Gaviria] In the first place, the government and society have every right to set conditions on these groups for a dialogue. The main objective must always be their reincorporation into civilian life.

Second, I think that we have to be less and less accepting of the idea that society ought to make commitments about political reforms to armed groups. This is delegitimizing democracy. It's telling citizens that there would be no political changes here were it not for the presence of armed groups.

[EL TIEMPO] Why don't you spell out what your strategy towards the armed groups is?

[Gaviria] What political solutions basically mean is guarantees for reincorporation into civilian life. The president of the Republic has ways of getting out in front of a process.

[EL TIEMPO] More than Barco has?

[Gaviria] Yes, of course more than Barco. Because this administration has had certain views, but the other segments of society have not shared them. No one has called on them to share them, to implement them; there has been no sort of dialogue between the administration and the other segments of Colombian society.

[EL TIEMPO] And why didn't you do so when you were interior minister under this administration?

[Gaviria] Because a policy of President Barco's was being implemented and because these years have enabled me to learn more.

[EL TIEMPO] Are you going to hold a plebiscite?

[Gaviria] I think that we have to find an extraconstitutional mechanism for changing our political institutions.

[EL TIEMPO] Before the end of 1990?

[Gaviria] To find an extraconstitutional mechanism we have to have the broad backing of public opinion and the involvement of the other political forces.

[EL TIEMPO] What's preventing you from committing yourself directly to this mechanism?

[Gaviria] Finding an extraconstitutional mechanism cannot be a unilateral move by the president of the Republic; it's something that requires extremely broad political backing.

[EL TIEMPO] But you're not committing yourself....

[Gaviria] We have to seek a mechanism. I think that the conditions for implementing it are developing.

I can't say exactly when. The point is to find a mechanism that is not provided for in the constitution; the point is not for the president of the Republic to impose his personal opinion.

[EL TIEMPO] Are you still opposed to a dialogue with the drug traffickers?

[Gaviria] I have indicated on many occasions that I regard drug trafficking as a common crime that does not warrant political treatment and that therefore such treatment is not possible.

[EL TIEMPO] And what do you think of the possibility of the milder treatment that Lopez and the other Notables have proposed?

[Gaviria] I see it as operating within the law. To operate within the law there is no need to engage in a political dialogue. The government can and must operate with a flexible approach.

[EL TIEMPO] What would a more flexible approach to the drug traffickers be like under your administration?

[Gaviria] We have to address that problem as it stands on 7 August of this year. The truth is that it's very hard for me to anticipate what's going to happen. I can't say exactly what I'm going to do without knowing what's going to happen between now and 7 August.

[EL TIEMPO] If you were president today, what would your reply to "The Extraditables" be about the creation of a special mechanism to facilitate their surrender?

[Gaviria] I think that if the drug traffickers want to surrender to the justice system, the mechanisms for that to happen have to be provided to them.

[EL TIEMPO] If "The Extraditables" surrendered today and you were president, would you send them to the United States?

[Gaviria] That is up to the discretion of the administration. The administration can choose to or it can choose not to.

[EL TIEMPO] But what would a President Gaviria do?

[Gaviria] I can't put myself in a hypothetical situation. This is a decision that entails having certain background information at a given moment. The administration is the only one that has it.

[EL TIEMPO] But you've just left the administration in which you were involved for 3 years. Aren't you informed?

[Gaviria] Of course. And I was there during periods when there were extraditions and when there were not.

[EL TIEMPO] And?

[Gaviria] You have to see what the circumstances are at a given moment, because it's likely that by 7 August terrorism will have disappeared completely, for example. As president I can't anticipate something that requires bearing in mind the considerations of the moment in order to make a decision.

[EL TIEMPO] If the administration isn't responsible for the current economic crisis, as you say, then who's to blame?

[Gaviria] The administration isn't responsible because of its actions, but it may be because of omission. I feel that a change of economic model is fundamental for the country in order to have higher growth rates, in other words, the internationalization of the Colombian economy. I wouldn't say that the administration hasn't done anything, but I would say that it hasn't done all that it should have.

[EL TIEMPO] In any event, should Colombians expect your administration to be like Barco's in economic policy?

[Gaviria] We have to gradually open up our economy.

[EL TIEMPO] And you also advocate not rescheduling our foreign debt, don't you?

[Gaviria] The path that we have followed, fulfilling our international obligations, is one that has shown certain merits. This does not mean, of course, that we are not willing at some point to reschedule the debt.

[EL TIEMPO] In other words, as long as things keep going the way they have with the economy, Colombians should expect that you will refuse to reschedule the foreign debt?

[Gaviria] As long as we don't become exporters of capital or sacrifice our economic growth, I'm in favor of keeping the policy of paying up.

[EL TIEMPO] So how will your economic policy be different from Barco's?

[Gaviria] The economy has weakened because decisions on foreign trade were not made in time. It's very hard to say that other factors are to blame for the economy having slowed down. And the decisions are being made towards the close of the administration.

[EL TIEMPO] In other words, the administration does bear a responsibility for the crisis.

[Gaviria] Of course.

[EL TIEMPO] Do you have some specific idea for resolving the Colombian-Venezuelan dispute?

[Gaviria] The new climate that has been created in relations between Colombia and Venezuela is good. If the Colombian people elect me president, I will continue this policy.

[EL TIEMPO] What is Cesar Gaviria going to do so that Colombian corvettes are not the only ones that have to leave the disputed waters?

[Gaviria] There's going to be more peace than conflict in the future, thus demonstrating the merits of the current policy. Making headway in defining mechanisms for settling disagreements will be an important step.

[EL TIEMPO] We've covered four issues on which you agree with Barco: peace, drug trafficking, the economy, and Venezuela. Why does it bother you to be compared with Barco?

[Gaviria] It doesn't bother me when someone says that my policies are similar to those of President Barco. You have to retain whatever works and make fundamental changes in whatever doesn't.

[EL TIEMPO] You've had your differences with the Liberal governing bodies, with the Liberal administration, with the Liberal program, with the Liberal tribunal of guarantees. What's left of the Liberal Party that you like?

[Gaviria] You people ask tough questions. I practice free inquiry. I raised objections to the program because I don't think that the party can keep on working with a simple list of problems, without solutions.

I don't agree with some administration moves because I thought that they tended to distort the meaning of the primary and to favor another presidential hopeful. And I disagreed with a decision of the Tribunal of Guarantees that I didn't like because it was designed for a single city.

[EL TIEMPO] Don't you think that you put your foot in your mouth with the Tribunal of Guarantees?

[Gaviria] Even the rulings of the Supreme Court can be objected to if you don't agree with them. The tribunal was not impartial. It only wanted to hurt Cesar Gaviria.

[TIEMPO] What chances do you see for a rebirth of the Samper-Galan axis, which is now Samper-Gaviria?

[Gaviria] There could undoubtedly be an alliance. For the time being what we have are identities, commitments to see to it that the clear-cut result of the primary is honored.

[EL TIEMPO] Is it your theory that individual liberties have to be restricted in certain cases?

[Gaviria] To deal with terrorism, yes. I have indeed been categorical about that. A society cannot declare itself to be powerless in the face of terrorism. Individual liberties have to be restricted to deal with it.

[EL TIEMPO] Aren't you worried about how many injustices such a decision could cause?

[Gaviria] Of course this entails risks of injustices, but it has to be done to defend society and our institutions.

[EL TIEMPO] Why weren't you able to maintain the unity of the Galan movement?

[Gaviria] Because I never intended to. Because I'm not the head of New Liberalism. Moreover, the great majority of those problems arose when Luis Carlos Galan was alive, not now. I didn't see Galan making major efforts to resolve problems that had been around for years. Furthermore, no one has invoked my authority to settle these problems. Nevertheless, in Bogota I have three slates that are supporting me. Mario Galan's, Alfonso Lopez Caballero's, and Enrique Penalosa's for the House.

[EL TIEMPO] What is your opinion of the Barco administration?

[Gaviria] I think that President Barco has been called upon to deal with extremely complex or difficult situations, which few Colombian presidents have had to.

He has coped with these situations quite successfully. President Barco has character, good judgment; he has problems communicating with the citizenry, with political leaders, and with the other leaders in Colombian life. President Barco has not always shown the leadership that is needed at certain junctures and in certain situations, and this creates uncertainty in the nation and among the political parties.

Paraguay

Rodriguez 'Pleased' Over Colorado Party Accord

PY0904152890 Asuncion ABC COLOR in Spanish 8 Apr 90 p 3

[Report by special envoys Nestor Desiderio Escobar Franco and Andres Cristaldo]

[Text] Asked about Dr. Juan Ramon Chaves, who has stepped down as Colorado Party president, and the designation of Luis Maria Argana as his successor, President Andres Rodriguez said: "I am very happy and very pleased because they have reached the most appropriate solution." Rodriguez spoke yesterday in Caacupe, where he dedicated the new building called the "House of Justice" and the Cordillera Regional Hospital.

Rodriguez said: "In my capacity as a patriotic Paraguayan citizen, which I believe I am because I love my fatherland, I would like to convey my best wishes to them. The work of the Colorados—and that of the members of other parties—greatly helps our people to achieve spiritual peace, because all of us have combined our efforts to build our country's greatness."

Concerning the designation of Argana as ANR [National Republican Association] president, Rodriguez said: "We will do everything to help the foreign minister. We will give him more time to work. As people usually say, we will let him work 24 hours a day. He is a young man and I have confidence in him. He is physically strong and intelligent, and he will surely be able to design a work schedule that will effectively delegate his time, thus allowing him to serve as party president and as foreign minister."

Asked whether replacing Chaves will help the process, Rodriguez replied: "Just imagine the peace of mind of the rank-and-file of the great Colorado Party. I believe that this attitude of the party leaders will revive the confidence, the faith, and the hope of all rank-and-file members in the rural areas. This will help us fulfill our aspirations to live in peace, freedom, democracy, and social justice, which are the goals that we are pursuing down a long path that is neither easy nor impossible."

Peru

Speculation on 8 April Elections, Possible Runoff

Barrantes To Support Fujimori

PY1004031090 Lima Television Peruana in Spanish 0000 GMT 10 Apr 90

[Text] Alfonso Barrantes Lingan, presidential candidate for the Socialist Left, has said that the meager number of

votes he received in the general elections represents a hard blow and a political defeat. He said that factors related to the division of the leftist sector and a failure to understand the people are the reasons for his defeat. He also announced that he is willing to support Alberto Fujimori, who, he said, will receive the necessary number of votes in the electoral runoff to become the next president of the Republic.

[Begin recording] [Barrantes] I am one of the defeated candidates. For me this has been a hard political defeat, due probably to the many political mistakes I have made, to some political sins that I am going to review and try to expiate during Holy Week. I will then return to my political activities.

[Unidentified reporter] Fujimori seems to have understood the voters. It seems that Barrantes and some other candidates did not understand the voters, and this is why Fujimori appeared as a sudden tsunami, with great force.

[Barrantes] Exactly. We failed to understand the people because we were too wrapped up in our own ideology. The tsunami appeared and almost swept the entire house away. We have been left with a bit of the foundation, four to five percent of the votes, which is strong enough to rebuild on.

[Reporter] Will the next president be Mario Vargas Llosa or Fujimori?

[Barrantes] There is no doubt that Fujimori will be the next president.

[Reporter] What makes you think so?

[Barrantes] It is just a matter of adding up numbers. It is an easy operation, one that a seven-year-old child could handle. Just by adding one can see that Vargas Llosa.... [changes thought] I want to voice my solidarity with him, because he must be more deeply hurt than me. I am a humble country man who accepts things calmly. I accept the blow. I did not pretend to win in the first round of elections, but I continued to fulfill my role. But he thought that with all the money that was spent he was going to win it all in the first round of elections. I think that he is now one or two points away from Fujimori and, if the latest reports are correct, Fujimori will finish first.

Vargas Llosa Seeks To Avoid Runoff

PY0904143690 Madrid EFE in Spanish 0740 GMT 9 Apr 90

[Excerpts] Lima, 9 Apr (EFE)—Author Mario Vargas Llosa and Alberto Fujimori, an engineer of Japanese descent, will dispute the presidential office in a runoff election after emerging as the top two contenders in yesterday's election. They both propose programs aimed at bringing economic changes in the country.

Vargas Llosa, the 54-year-old leader of the center-right coalition Democratic Front (Fredemo), obtained 33.8 percent of the vote according to a final projection conducted by the Apoyo Enterprise based on samples from polling stations where the vote count has already been completed.

Fujimori, the 51-year-old leader of the independent movement Change 90, has unexpectedly become Vargas Llosa's rival. Just two weeks ago opinion polls gave him no chance of reaching the runoff.

Apoyo gives Fujimori 30.7 percent of the votes.

The victory of Vargas Llosa and Fujimori represents the victory of their liberal proposals—which are, however, to be implemented at a different pace—and the collapse of the ruling American Popular Revolutionary Alliance (APRA), the political party of President Alan Garcia.

Accordaning to the figures released by Apoyo, APRA obtained 13.8 percent of the votes and the two leftist coalitions—the communist United Left (IU) and the Socialist Left (IS)—jointly obtained 10.8 percent of the vote. [passage omitted]

After learning of the preliminary results released by polling organizations (official results will not be released until the end of this month), Vargas Llosa asked Fujimori to avoid a runoff election because Peru "is undergoing an emergency situation, with terrorism and an economic crisis," and thus it is urgent to seek solutions.

Vargas Llosa substantiated his offer on the fact that neither candidate will have an absolute majority in Congress—senators and deputies were also elected yesterday—and thus negotiations will be required for the future chief executive to rule with a comfortable margin of support in Congress.

Despite their differences, the economic programs of the Fredemo and Change 90 have more in common than the other political forces that will be represented in Congress.

Fujimori turned down Vargas Llosa's proposal, saying that "the country will win" with the debate that will take place during the runoff election.

In a televised statement, Fujimori said last night: "I have great respect for Dr. Mario Vargas Llosa, but we disagree profoundly and, therefore, we cannot reach an agreement whereby either of us would withdraw his candidacy."

A private survey conducted among voters yesterday, between Vargas Llosa and Fujimori, gave 46.8 percent to Fujimori and 37.2 percent to Vargas Llosa.

Fredemo on Electoral Irregularities

PY0904154690 Lima Television Peruana in Spanish 1200 GMT 9 Apr 90

[Text] Following charges made by sectors of the Fredemo concerning irregularities in the electoral process,

National Electoral Board [JEN] President Carlos Castaneda Lafontaine referred to the irregularities, and to the runoff elections.

[Begin recording] [Casraneda] As you know, everything has been dealt with thus far with the exception of a charge made by a Fredemo spokesman that Fredemo balloting papers may have been waxed. That could not have happened. We have dealt with any and all measures that could harm any sector. We are completely impartial. We grant full guarantees to all political parties that participate in the elections. Maybe the pen that was used was of poor quality. If this is the case anyone could have marked the symbol two or three times but this would not have annulled the vote. We have already given instructions that a vote marked two, three, or four times not be annulled.

[Reporter] [words indistinct] if a runoff election is confirmed when will it take place?

[Castaneda] The supreme decree that called for elections establishes that if any of the candidates to the presidency or vice presidency of the Republic do not obtain an absolute majority, a runoff election will take place on a Sunday within four weeks of the publication of the results of the elections by the JEN, in keeping with Article 1 of Law 23,618, which calls for elections.

[Reporter] What will happen if the second-place candidate decides to support the leading candidate?

[Castaneda] I cannot say. The JEN is in charge of making the decisions.

[Reporter] Would the situation be the same as in 1985?

[Castaneda] It may or it may not. The decision will be made by the JEN.

[Reporter] Will it depend on the JEN or on the candidates?

[Castaneda] It will depend on both the JEN and the candidates, but the JEN will make the final decision. [end recording]

Private Poll: Vargas Llosa in Lead

PY0904132090 Madrid EFE in Spanish 0501 GMT 9 Apr 90

[Text] Lima, 9 Apr (EFE)—According to a private source's projection based on the available vote count from polling stations, writer Mario Vargas Llosa remains the candidate with the largest number of votes. He is closely followed by Alberto Fujimori, the son of Japanese immigrants.

A previous report by "Radioprogramas del Peru" had stated that Fujimori was ahead but this has been declared invalid by the same radio station. They blame the mistake on a computer fault. This information was supplied to EFE by a "Radioprogramas" journalist.

Upon learning of their mistake, the station suspended all reporting on vote counts.

According to an estimate by Peruvian Channel 5, Vargas Llosa, who heads the centrist-rightist Fredemo coalition, is leading with 29.0 percent of the votes. Fujimori, of the independent Change 90 movement, is running second with 27.7 percent.

This result was calculated by the "Peruvian Public Opinion Company" (POP), which was contracted by Channel 5. It is based on national projections from a sample of polling stations for which results are already available.

According to the television report, the ruling American Popular Revolutionary Alliance (APRA) obtained 20.9 percent of the votes, the Communist United Left (IU) coalition obtained 5.7 percent, and the Socialist Left (IS) obtained 4.1 percent.

According to the report, the rest of the votes support other parties, or are either blank or null.

The sample used by POP represents 87.1 percent of the polling stations.

The National Electoral Court has said that the official count will be ready at the end of the month.

* Polls Show Majority Supports Liberal Policies

90SM0009A Lima EL COMERCIO in Spanish 22, 23 Mar 90

[Text]

[22 Mar 90 p 5-A]

According to a recent poll prepared by Datum for EL COMERCIO, 91.3 percent agree with the debureaucratization of public administration, and a meager 5.8 percent oppose that process. The sample was taken among 400 persons residing in urban areas. As for the state's intervention in the nation's economy, 54.5 percent of those polled came out in favor of its being reduced, whereas only 33 percent expressed opposition on this point. In the first instance, 2.9 percent claimed not to know or had no answer; and in the second, 12.5 percent gave such a response. With regard to the issue that has caused controversy and opposing positions on the part of the various political forces, namely, privatization of state enterprises, those interviewed in this study responded as follows: 53.8 percent would "agree," 35 percent disagree, and 11.2 percent did not know or had no answer.

Would you agree or disagree with less state intervention in the nation's economy?

	Total
Agree	54.5
Disagree	33.0

Would you agree or disagree with less state intervention in the nation's economy? (Continued)

	Total
Don't know/no answer	12.5
Total	100.0
Base: Total interviews	(400)

Would you agree or disagree with debureaucratization?

	Total
Agree	91.3
Disagree	5.8
Don't know/no answer	2.9
Total	100.0
Base: Total interviews	(400)

Would you agree or disagree with the privatization of state enterprises?

	Total
Agree	53.8
Disagree	35.0
Don't know/no answer	11.2
Total	100.0
Base:Total interviews	(400)

[23 Mar 90 p 5-A]

The reduction of ministries, attraction of foreign capital investment, and renegotiation of the foreign debt with Peru's creditors, which are features of the program that would be implemented by Democratic Front if it were to attain the government, have the support of a considerable sector of the population. According to the sample taken for EL COMERCIO by Datum among 400 persons in urban areas, 62.8 percent favor a reduction in ministries, 75.5 percent approve of attracting foreign investment, and 77.3 percent agree with the debt renegotiation. The margins of indecision fluctuate between 8.2 and 12.4 percent. According to the sample, the percentages of those interviewed who disagree do not exceed 25 percent, which could be interpreted as indicating that most of the population sample would back the adoption or implementation of the aforementioned measures. On the other hand, when asked which party has the best proposal for solving the problem of bureaucracy, 44.3 percent indicated the Fredemo [Democratic Front] alliance, followed in second place at a distance by Socialist Left (9.5 percent), in third place by the APRA [American Popular Revolutionary Alliance] Party (6.3 percent), and in fourth place by United Left (5.5 percent). As for other parties, mention was made of Cambio [Change] 90 (1 percent). Nevertheless, it is noteworthy that, in the view of a considerable sector (29 percent of those interviewed), "no party" has the best proposals for the purpose of such debureaucratization.

Do you think that foreign capital investment is necessary or not to improve our economic situation?

	Total
Is necessary	75.5
Is not necessary	16.5
Don't know/no answer	8.0
Total	100.0
Base: Total interviews	(400)

Would you agree or disagree with a complete renegotiation of Peru's foreign debt with its creditors?

	Total
Agree	77.3
Disagree	14.5
Don't know/no answer	8.2
	100.0
Base: Total interviews	(400)

Which party has the best proposals for solving the bureaucracy?

	Total
Fredemo	44.3
Socialist Left	9.5
APRA	6.3
United Left	5.5
Others*	1.0
All	3.0
None	29.8
Don't know/no answer	0.6
Total	100.0
Base: Total interviews	(400)
*Cambio 90	

Would you agree or disagree with a reduction in ministries?

	Total
Agree	62.8
Disagree	24.8
Don't know/no answer	12.4
Total	100.0
Base: Total interviews	(400)

* Peru's Reinsertion Into World Economy Viewed

90ET0168B Lima QUEHACER in Spanish Mar/Apr 90 pp 35-36

[Article by Oscar Ugarteche]

[Text] The problem of our insertion or reinsertion has unquestionably become a decidedly more ideological

than technical one, since the initial premises (there will be loans) are often groundless. The international trends are clear in this regard. Over the past 20 years trade in general has become further concentrated among the developed capitalist countries themselves, as has the trade in capital goods and technology (This first section is a summary of my article "Hegemony in Crisis. Economic Challenges for Latin America," published by the Ebert Foundation in Lima).

Technological developments, moreover, are unfavorable to developing countries and to socialist countries in that they require less use of raw materials, manpower, and energy, which are abundant in these countries. The new technology revolves around the diminished use of inputs in production. Moreover, this is expensive technology that yields expensive products; in other words, it has enhanced utility for the advanced countries.

Foreign investment flows, moreover, have been influenced by the tendency of the United States to run deficits. The United States has been the major recipient of foreign investment since the early 1980's. This country, which used to export capital, has become the largest investment market, particularly for Japan and the FRG, the two main countries with surpluses to invest.

Credit flows have been unfavorable to Latin American since 1982. Even though Latin America paid out almost $180 billion net during this period, its debt has risen from $223 billion to $420 billion. The United States, the largest lender since the turn of the century, became the biggest debtor, at an initial pace of $16 billion a month, slowing in 1988 and 1989 to $11 billion a month. Owing mainly to this, international interest rates are at high real levels, with no prospects of falling. In addition, developments in Eastern Europe are attracting the meager financial surpluses that used to come to Latin America, since the CEMA bloc is more important to Western Europe than Latin America is.

Peru's Present Situation

Peru is defaulting on almost $9 billion of its $17 billion foreign debt. The IMF and World Bank are owed about $1.5 billion, commercial banks almost $3 billion, and governments, mainly in Europe, the remainder.

The next Peruvian administration will have to meet all of the needs indicated in the diagnosis. No thought can be given to paying the debt, owing to the impact of the negative transfer of funds on the domestic economy. Moreover, the level of international conflict must be lowered. The balance due must also urgently be cut, and we have to begin dealing with the default problem.

For the aforementioned reasons, the next administration's main problem is not going to be how to secure large-scale financing, but rather how to finance its emergency social program as best it can. Accordingly, it will have to regularize its international situation. Moreover, it will have to tackle the problems of trade, technology, and foreign investment.

A Proposed Agenda

First, it will have to continue talking with the IMF so that it can arrange a meeting with the Club of Paris and reschedule the debt owed to governments, the loans in default, and the loans that fall due over the next few years, on extremely soft conditions, in keeping with the debt-servicing capacity of the national budget in foreign exchange and intis.

Although in the past the Club of Paris has granted short-term loans, a new precedent must be created through slow and complicated negotiations whose goal is to lower the level of conflict.

In setting forth its position Peru must mention the issue of a positive net transfer of funds or one that is moving towards zero, which would be achieved by securing donations or soft loans for an emergency social program of around $1 billion a year.

In negotiating with other governments, Latin American countries must seek to reduce overlapping balances due. In other words, if a country owes Peru money, such as Brazil, which is in debt $100 million to us, and we owe Brazil $120 million, we should try to settle the balances; that is to say, we pay them with what they owe us, thus leaving us with a balance owed of $20 million.

Debt-equity swaps will have to be approached with an eye towards acquiring new technology, preferably between countries in the south. The best approach would be to have debt-equity swaps with Latin American investors, so that we could acquire technologies that bear most directly on Peru's production needs.

We should underscore the need to expand compensated trade within Latin America and to channel internal surpluses in this direction. Vulnerability to international fluctuations would thus be reduced.

Arrangements for two-to-one and three-to-one payment in goods will have to be developed and used with the commercial banks, as they have been with Marine Midland and First Interstate. Under such arrangements, one product is sold to pay off the debt, but one or two additional items are bought as well. The creditor and the government will have a better chance of success if they conduct bilateral negotiations. The Peruvian production sectors that most need to export to survive ought to take part in these negotiations.

* Aftermath of Drug Summit Viewed

90ET0168C Lima QUEHACER in Spanish Mar/Apr 90 pp 40-44

[Article by Jose Antonio Gonzalez Norris]

[Text] The presidents of Bolivia, Peru, Colombia, and the United States met in Cartagena, Colombia on 15 February to join hands in a common antidrug policy.

This article addresses several key issues, mainly economic development, the military question, and sovereignty (of the three South American countries, of course), that the struggle against drug trafficking raises.

The day after the Cartagena Summit, as the Peruvian president was paying homage to the liberator Bolivar on Santa Marta Island, President Bush called together his cabinet in Washington to inform his closest associates of the details of the new strategy in the "war on drugs" that he agreed upon with his Andean counterparts.

In Lima, meanwhile, the new American ambassador to Peru, Anthony Quainton, invited the press to a teleconference with "drug czar" William Bennett, the director of the U.S. Government's National Office of Drug Control Policy. After praising the agreements that the presidents reached in Cartagena, Bennett remarked in answer to a question from a newsman: "Each country determines in sovereign fashion its policy on drug trafficking, but the United States will grant aid on the basis of results."

I. The Cartagena Summit was made possible by a fragile, albeit long ripening understanding between the United States and the Andean countries that produce and export coca and cocaine. The most recent history goes back to 1986, when the U.S. administration defined drugs as a national-security problem and began to step up the pressure on the Andean countries to reduce the supply of cocaine in whatever way they could and stop shipments to the United States. The drug problem that faced U.S. society could be summarized in the following figures: by the end of the previous decade, around 25 million Americans were occasional drug users, and almost 10 million were consumers of cocaine. It was with good reason that the American people described drugs as public enemy number one, topping the communist threat, which was being gradually dispelled by East-West detente and the personal charm of the secretary general of the CPSU. The struggle against "the evil empire" was giving way to the "crusade against drugs."

In the Andean countries, on the other hand, the growing demand in the United States gave rise to what has come to be called "the thousand faces of drug trafficking." Shaky national economies and hundreds of thousands of families depend increasingly on the income that drugs generate. In Peru, close to 200,000 hectares of the most productive lands, mainly in the high jungle, are planted with coca shrubs, which makes this crop the most widespread in the country, along with rice. Coca-leaf production accounts for between 40 and 50 percent of the value of the nation's gross agricultural output, and what is worse, the coca-crop area has increased at an average annual rate of 10 percent. Finally, we must bear in mind the obvious link between drug trafficking and subversive violence, mainly in the Upper Huallaga, the country's main coca-growing area.

Nations in crisis and governments without funds, the Andean countries have not been in a position to tackle the problems that the exploding demand for cocaine have brought them. Moreover, the funding that the United States has allocated to combat drug trafficking in the region has certainly been inadequate, if not irrelevant. As a U.S. Senate report confirms, while Colombia, Bolivia, and Peru received a total of $124.6 million from 1985 to 1988 to support their battle against drug trafficking, economic and military aid to El Salvador alone exceeded $1.6 billion, almost 13 times as much as the three Andean countries received. Likewise, as of 1988 Colombia, Bolivia, and Peru together were receiving about one percent of the total funding that the U.S. Government was appropriating to battle the consumption of illegal drugs.

Furthermore, this funding has gone mainly to the police-related aspects of the battle against drugs, as the social and economic development of the coca-growing zones has been overlooked. In the case of Peru, of the $24 million spent on antidrug operations in 1988 and 1989, only $3 million was earmarked for economic-development and prevention programs. Even in 1990, when the funding for Peru under the Andean Strategy launched in September 1989 is expected to rise significantly, just $3.1 of the almost $68 million that has been approved will go to development programs; the rest will be spent on military and police assistance.

Coincidentally, we should note that technical and financial aid from the United States to Peru not directly linked to the drug problem declined substantially in the second half of the 1980's, from $185 million in 1984 (the high for the decade) to just $37 million in 1989 (the low).

It is not surprising, then, that the prevailing sentiment in the Andean countries is that the U.S. commitment to the battle against drug trafficking does not measure up to the high-sounding statements of its political leaders and its well-known responsibility in causing the problem.

As Senator Sam Nunn, the chairman of the Senate subcommittee in charge of investigating the antinarcotics activities of the U.S. Government in the Andean region, asserts: "The interests of the United States in the Andean region are broad and substantive and include political and security aspects, as well as economic, commercial and, of course, narcotics matters....In spite of this fact, over the past 10 years incredibly little attention has been paid to these countries."

II. The Drug Abuse Law, passed by the U.S. Congress in 1988, directs the president to approve every year a National Strategy To Control Drugs. The first two versions of this strategy were made public in September 1989 and January 1990, respectively, and are a substantive part of the so-called "Bush Plan" against drugs. This plan, which is more of a process than a single document, acknowledges that the root of the drug problem in the United States is the decision by a large number of American citizens to use illegal drugs; this is a reversal of previous arguments, which blamed supply. Nevertheless, the U.S. administration's acceptance of the "joint

responsibility" of the consuming and producing countries in drug trafficking has not led to a new approach to measures against this problem. The U.S. strategy has continued to emphasize the crackdown, which does include, of course, crop substitution and some grassroots education. There is very little social policy or support for economic development in the coca-growing zones.

We can say, however, that the place that drug policy occupies as part of U.S. foreign policy has undergone a change of unforeseeable consequences for the Andean countries. The case of Panama clearly illustrates this development and, what is more, shows that an aggressive foreign policy that cites "national security" as a factor in the battle against drug trafficking can generate support from broad segments of U.S. public opinion. In the final accounting, the priorities of the United States and the Andean countries do not coincide on this issue, as on others. Whereas the number one priority for the United States is the consumption of illegal drugs, for Peru and the other Andean countries the priorities are unquestionably different: the debt, poverty, subversion, etc. This is certainly a potential source of future conflicts between the United States and the Andean countries, although it could be the starting point for sound programs of cooperation.

Another aspect that has special import for Peru concerns security and its complement of military aid. The U.S. drug-control strategy acknowledges the increasing role of the Defense Department in the battle against drug trafficking, as well as the rise in military aid to the countries of the Andean region. Indeed, more than half ($110 million) of the $216 million budgeted for the Andean strategy in 1990 will go to military aid. Of this total Peru will receive $34.4 million that is earmarked specifically to outfit its Armed Forces, which will be receiving U.S. military cooperation for the first time since 1968.

Moreover, authorized spokesmen of the U.S. diplomatic delegation in Peru have declared emphatically that the military aid that has been granted Peru as part of the battle against drug trafficking can be used by the Peruvian Armed Forces in their struggle against Shining Path, albeit under certain conditions. This authorization seems to stem from the U.S. administration's recently developed conviction that in order to do away with illegal drug production, especially in the Upper Huallaga region, the threat of Shining Path and its potential alliance with the coca-leaf producers must first be done away with. This decision is certainly a major element of U.S. foreign policy and must be thoroughly evaluated by the Peruvian Government because of its implications. Clearly, to confuse the counterinsurgency with the battle against drug trafficking, or to overlap them, could have fatal consequences, as the experience of the past decade has shown. Moreover, the presence of U.S. Armed Forces advisers training army troops in a highly troubled region like the Upper Huallaga is too much of a temptation for the insurgent groups not to try and exploit in an effort to elicit a U.S. military response and thus "internationalize" the conflict.

III. The fact that the president of the United States sat down at the negotiating table in Cartagena is certainly more than a mere gesture for domestic consumption among the American public, and the Andean chief executives can feel pleased about this. As President Garcia emphasized, for the first time a group of South American countries called on the chief of state of the most powerful nation on earth to discuss a common problem multilaterally.

One swallow does not make a summer, of course, and it will surely be more complicated, if it is possible at all, for the countries of the region to negotiate multilaterally the problems of the debt, trade, and investment.

Even so, the Cartagena Declaration is a significant move forward in developing understandings on matters of economic cooperation, on which the Andean countries seem to have focused their negotiating strategy.

Among the most significant accords, we should underscore that the United States acknowledges how important the foreign exchange from drug trafficking is for the countries involved, with the resulting creation of jobs and income for vast segments of their people. Consequently, it has pledged to arrange for funding to offset the short- and long-term social and economic upheavals that the battle against the production of illicit drugs may cause. In addition, it says that it is willing to cooperate on a wide range of initiatives for development, trade, and investment, identifying cooperation programs in the areas of social development and support for the balance of payments of the Andean countries. In the medium and long term the United States acknowledges the need for investment programs and other economic steps that will lead to the definitive replacement of the coca-based economy.

For their part, in the Cartagena Declaration the Andean countries reaffirm their determination to battle drug trafficking comprehensively. Indeed, the parties have resolved: to support and expand drug prevention programs; to include their Armed Forces in the battle against drugs; to exchange more information and intelligence; to continue eradication programs, on the condition that they are environmentally safe; to identify, freeze, and confiscate the assets deriving from drugs; to coordinate efforts to eliminate the illicit trade in chemical precursors; to tighten controls on the illegal movement of weapons and explosives; to share legal evidence, and to foster public recognition of the destructive effects of illegal drugs.

IV. The Cartagena Declaration must now travel the road from words to deeds. It could be the starting point for a new relationship with the United States on the drug issue that strengthens the link between the struggle against drug trafficking and the socioeconomic development of vast Andean populations. But it could also be a focus of further tension and conflict, which would be more dangerous as frustration on both sides mounts.

Although the declaration does not contain recriminations about the recent past, it does implicitly criticize the failures that have marked a decade of unproductive efforts. Parodying the ECLA report on the Latin American economy in the 1980's, we could speak of a "lost decade" in the struggle against drug trafficking. The main virtue of the Cartagena meeting could be that it has helped to restore mutual trust and to balance the interests of the parties.

The challenges that this poses to the Andean countries are enormous. First of all, they must define a sovereign national policy that takes into account the many dimensions of the problem and brings them all together in a comprehensive approach. Second, they must articulate joint positions that will enable them to move forward more quickly along the multilateral path that they have begun in Cartagena, by negotiating all pending issues not only with the United States but with the European Economic Community and Japan too. The point is to design a true Andean strategy, but from the Andean countries, not from the centers of political and economic power, thus avoiding a bilateral approach or mitigating its most adverse effects by bolstering Andean solidarity.

Third, the social-development plans and programs to be implemented in the coca-growing areas must be efficient, thereby enabling a new government to regain the lost trust of its citizens. Any of the Andean countries involved would be wrong to create inordinate expectations about U.S. aid, which is indeed very important but which can in no way, whatever its amount, replace the need for national and local development goals.

In the near future, American foreign policy towards the Andean countries will, it is clear, be conditioned by their being producers and exporters of coca and cocaine. What this implies is not yet altogether clear, because Panama and Cartagena can be regarded as signals of different directions. The consequences that an inordinate growth in the military component, both foreign and domestic, in the battle against drugs could have for the sovereignty of the Andean countries are not yet clearly visible, although they are indeed worrisome. There is a recurring temptation to resort to repression, which could again play the leading role that it did in the 1980's. And the hopes that the countries of the South have placed in a balanced relationship with the United States could also be frustrated. After all, it would not be the first time.

Uruguay

Good Payment History Hurting Debt Renegotiation

PY0904000490 Madrid EFE in Spanish 1822 GMT 7 Apr 90

[Report by Alberto Pepe Leira]

[Text] Montevideo, 7 Apr (EFE)—According to official sources, the Uruguayan Government intends to pay the principal of its foreign debt to private banks at the secondary market price, although it is facing problems because it has a good payment record.

According to several reports forwarded to Congress by Economy Minister Enrique Braga, the Uruguayan debt to members of the banking committee has been calculated in the secondary market at some $1.440 billion, which amounts to 45 percent of its real value.

The minister says, however, that the creditor banks are not at all interested in speeding up negotiations on Uruguay's debt because they currently receive some $400,000 in interest payments on time, as scheduled. He added that the "fulfillment" of its international obligations, which should "normally be a point in its favor," has become "a serious difficulty" in talks with the members of the banking committee.

The economy minister added: "Since Uruguay pays its obligations and the banks are sure that Uruguay will not stop paying because of its great treasury notes and bonds expansion, the creditors' situation has become sufficiently comfortable so that, as long as they keep receiving interest payments on 100 percent of the debt, they have no motivation to renegotiate."

He said that the banks are in no hurry, "and I would say that they have no interest" in renegotiating the Uruguayan debt, because it is "very comfortable for them."

Economy Under Secretary Javier de Haedo had stated that because of the debt of $1.440 billion, Uruguay is paying some $137 million annually.

Uruguay's four debt-reduction proposals include, first the repurchase of the principal at a cost close to that on the secondary market. Second option, new Uruguayan authorities have proposed a reduction in interest payments to a level similar to those renegotiated by other debtor countries; that is, 6.5 percent.

If the previous solutions are not accepted, the government plans to achieve a real reduction in the principal or to establish a mechanism for incorporating new funds into the reactivation of the economy under more favorable conditions. Uruguay has already recovered some $210 million in foreign debt notes through its official banks.

The Uruguayan minister did not mention the means that will be used to pay the debt in cash, although this "is our main and foremost concern." He added that up to 75 percent of the debt can be repurchased and the remainder financed with funds that have already been made available.

Uruguay has gold reserves estimated at some $1.8 billion. The government intends to sell part of these reserves and to deposit the proceeds in several foreign currencies to earn interest and thus reduce the impact of payments abroad.

The economy minister did not mention whether any of that gold will be used to pay off part of the debt. He only

said that the country will use foreign and domestic resources to repurchase the debt from private banks; he did not explain the origin of these resources because "we would be giving away our options."

The minister has submitted his reports to Congress at the same time as the president of the Inter-American Development Bank (IDB), Uruguayan Enrique Iglesias, has been saying that the IDB could join the IMF and the World Bank, within the framework of the Brady Plan, to reduce the foreign debts of developing nations. Iglesias added that at a recent meeting in Montreal, some IDB governors supported a more active role for the bank in solving the foreign- debt problem. "This is not a resolution but the beginning of a process," Iglesias stated.

In Montevideo Minister Braga expressed Uruguay's interest in immediately negotiating its debt through a plan promoted by U.S. Treasury Secretary Nicholas Brady. Through this plan debtors will have the strength necessary to overcome the difficulties posed by the creditors, who are dragging out negotiations.

For Uruguay, it is quite necessary to cancel the debts to those banks that are charging the highest interest rates, approximately 10 percent annually. The country's overall debt amounts to $6.526 billion, and $4.271 billion of that debt is in the public sector and $2.255 billion in the private sector. However, the net overall debt of the public sector is $3.121 billion and $2.2622 billion in the private sector.

French Guiana

France's Rocard Tours Launch Site, Refugee Camp

LD0804141890 Paris Domestic Service in French 1100 GMT 8 Apr 90

[Excerpts] Michel Rocard is on the second day of his visit to French Guiana. Yesterday in Sinnamary the prime minister said he rejected the idea of a French Guiana developing at two speeds, where space-related activities would grow rapidly while the rest of the region would be having difficulty escaping underdevelopment. Who, he said, could conceive of a situation where, in the department where the satellites of the future are launched, electricity and telephones are not universally available?

On the occasion of his visit to Kourou, the director-general of the space center, Jean-Marie Luton, took the occasion of the prime minister's visit to announce that Ariane launches would resume this summer.

Then the prime minister visited a camp in (Dakarwany) where there is a large number of Suriname refugees. For an on-the-spot report, here is Jean-michel Blier.

[Blier] (Dakarwany) camp, 35 kms from St. Laurent du Maroni, where they are 1,400 Suriname refugees, half of whom are children. They came there four years ago, in flight from the neighboring country. There is a total of 6,000 or 7,000—officially called provisionally displaced persons.

The French Government refuses to give them political refugee status. Surinam is not at war; it has a civilian government. There is an emergency—in a year the children will have to go to school, and they will also have a claim to French nationality. Hence the prime minister's firmness.

[Begin Rocard recording] France has done its duty, but it does not intend to allow people who have been uprooted for some time to settle permanently on its soil, under precarious conditions. [end recording]

[Blier] In Michel Rocard's mind it is not a matter of taking authoritian measures, except, that on the one hand, these refugees are happy in Guiana, on the other, they are afraid to go home. The political situation on the other side of the border remains unstable. [passage omitted]

To force the Paramairabo authorities to respect its commitments, the French Government intends to use the backing of the international community—Suriname is a former Dutch colony, and also a member international organizations, such as the UN High Commission for Refugees.

Guyana

Human Rights Report Critical of Government

FL0504123190 Bonaire Trans World Radio in English 1130 GMT 5 Apr 90

[Text] Guyana's Human Rights Commission has issued its annual report, blaming the government for a deterioration of the situation in the country. The commission said human rights improved in the first four years of President Desmond Hoyte's rule but declined last year. It cited mass arrests of demonstrating workers, denial of fair election procedures, and restrictions on freedom of expression. The report also charged that access to nutrition, health, and education have also deteriorated.

Suriname

Assembly Urges Inquiry into Bodyguard Killings

FL0404124290 Bonaire Trans World Radio in English 1130 GMT 4 Apr 90

[Text] Suriname's National Assembly has approved a resolution urging the government to investigate last month's killings of two bodyguards of rebel leader Ronnie Brunswijk. The assembly action came after Mr. Brunswijk charged this past weekend that his two bodyguards were murdered. The two were killed by military police when they arrested the rebel leader on charges of drug smuggling. Mr. Brunswijk, who was in Paramaribo at the time for peace talks, was later released, and he denies taking part in any smuggling.